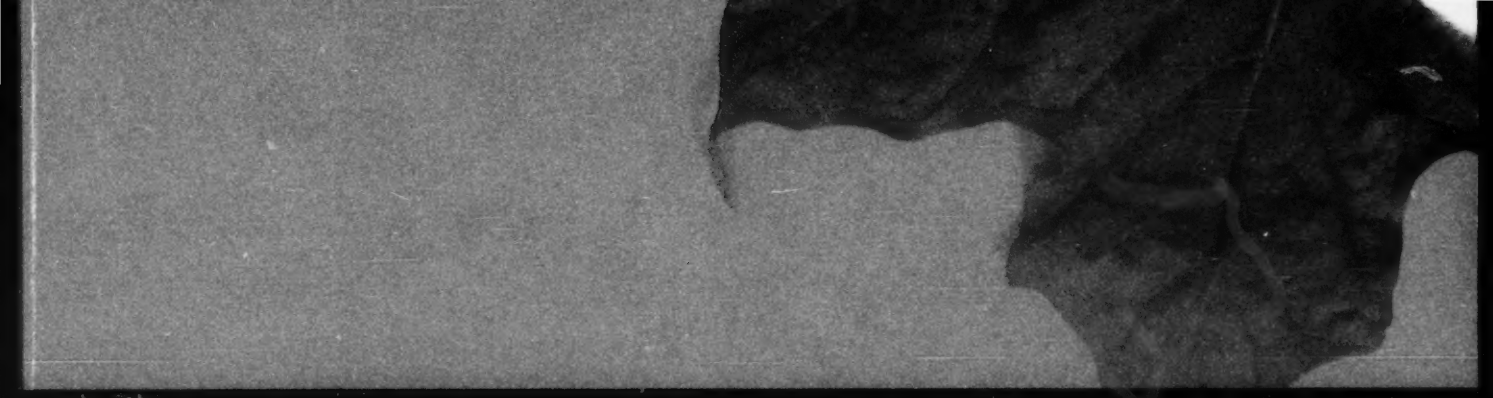


NATIONAL COUNCIL OF WELFARE REPORTS

WELFARE INCOMES, 2006 AND 2007

WINTER 2008 | VOLUME #128

National Council of Welfare
Conseil national du bien-être social

Canada

Copies of this publication may be obtained from:

National Council of Welfare
112 Kent Street, 9th Floor
Place de Ville, Tower B
Ottawa, Ontario K1A 0J9

Tel.: (613) 957-2961 / Fax: (613) 957-0680

E-mail: ncw@magi.com
Website: www.ncwcnbes.net

ACKNOWLEDGEMENTS

The National Council of Welfare is grateful to the officials of the provincial, territorial and federal governments who took the time to review the factual material in this report and previous reports.

Également disponible en français sous le titre :

RAPPORTS DU CONSEIL NATIONAL DU BIEN-ÊTRE SOCIAL / REVENUS DE BIEN-ÊTRE SOCIAL, 2006 ET 2007

©Her Majesty the Queen in Right of Canada, 2008
Cat. No. HS51-1/2007E
ISBN 978-1-100-10395-2

Publication mail agreement # 40065597
Return undeliverable Canadian addresses to:
112 Kent Street, 9th Floor
Ottawa, Ontario K1A 0J9
E-mail: ncw@magi.com

TABLE OF CONTENTS

MESSAGE FROM THE CHAIRPERSON v

KEY PATTERNS AND TRENDS 1

2006 and 2007 1

TOTAL WELFARE INCOMES OVER TIME 2

WELFARE INCOMES AND CHILD BENEFITS 3

Chapter 1

WHAT IS WELFARE? 5

ELIGIBILITY 6

LIQUID ASSET EXEMPTION LEVELS 9

TOTAL WELFARE INCOMES 13

BASIC SOCIAL ASSISTANCE 14

ADDITIONAL BENEFITS 14

FEDERAL CHILD BENEFITS 15

PROVINCIAL AND TERRITORIAL CHILD BENEFITS 15

GST CREDIT 16

PROVINCIAL TAX CREDITS 16

ENERGY COST BENEFIT (effective in 2006 only) 16

HIGHEST AND LOWEST 2006 AND 2007 WELFARE INCOMES 29

EARNINGS EXEMPTION LEVELS 29

WORKING INCOME TAX BENEFIT (WITB) 30

Chapter 2

ADEQUACY OF WELFARE INCOMES 39

2006 AND 2007 LOW INCOME CUT-OFFS (LICOS) 40

MARKET BASKET MEASURE OR MBM 46

2006 & 2007 AVERAGE INCOME 50

2006 & 2007 MEDIAN INCOME 56

Chapter 3

WELFARE INCOMES OVER TIME 65

THE SHORT TERM: 2005 TO 2006 AND 2006 TO 2007 66

THE LONGER VIEW: 1986 TO 2007 69

Chapter 4
WELFARE INCOMES AND CHILD BENEFITS 83
FEDERAL CHILD BENEFITS 83
CURRENT STATUS OF NATIONAL CHILD BENEFIT SUPPLEMENT 87
PROVINCIAL CHILD BENEFITS 89
THE EFFECTS OF THE CLAWBACK 90

Chapter 5
TOTAL WELFARE INCOMES AND POVERTY OVER TIME 107
RECENT TRENDS 108
LONGER TRENDS 109
COMPARING THE 3 POVERTY MEASURES 118

CONCLUDING THOUGHTS 131

APPENDICES 135

ABOUT THE NATIONAL COUNCIL OF WELFARE 145

Dear Readers,

This edition of ***Welfare Incomes*** provides a pan-Canadian look at the state of social assistance. It details, as it has done for two decades, the situation of four family types—a lone parent with a 2-year-old child, a couple with two school age children, a single person deemed employable and a single person with a disability—in the 13 different social assistance systems across the country. It also describes how social assistance rules and regulations interact with other programs, subsidies and tax measures in often complex ways.

Welfare Incomes is a rather technical report and is full of tables and graphs. These statistics provide important information in a way that no one else produces. But as you are reading, we want you to go beyond the numbers to keep in your mind's eye the human faces of the women, men and children who find themselves on Canada's social program of last resort.

For those of you more fortunate, think about what your own life—and your future—would be like if you had to live on a welfare income. And remember that being on welfare is not as simple as receiving financial help when you hit a rough patch; it is a system that carries a heavy stigma and it is filled with officials, rules and regulations that consume your time and limit your options. This is far different than the Guaranteed Income Supplement for seniors, for example, or benefits for children delivered through the tax system.

The case of the lone parent with a 2-year-old child: *raising children is demanding for all parents, doing it for the first time and alone is daunting, and dealing with family break-up can be traumatic. This parent, usually the mother, needs all the help she can get. Depending on where our mom lives, child support paid by the child's father could reduce her welfare, however, and she will not get ahead. Higher education is a good road out of poverty, especially for women, but if our mom receives student loans for post-secondary education she may be refused welfare. She will have to borrow for her child's survival as well her own education and face a very high debt load at the end in a labour market that still pays women about 70 cents of a man's dollar. If she already has a good education and finds a part-time job so she can still spend time with her child, much or even all of her earnings could be clawed back. Again she will not get ahead. She might even be worse off after employment expenses like clothing and transportation. If she can land a full-time job that could get her off welfare, she sacrifices time and energy for her child and might risk losing subsidized housing, adding to her costs and the family stress of yet another upheaval.*

There are many realities and powerful stories of the struggle to get ahead. We would also, therefore, like you to reflect on welfare incomes and systems in the context of larger efforts to solve poverty. The Council's mandate and goal is not focused narrowly on getting people off 'welfare', meaning social assistance, but rather on eliminating poverty and improving 'welfare', meaning well being, for all Canadians.

Poverty costs society as a whole and thus there is a high price tag to doing too little to make a difference. You can read more about this in the Council's ***Cost of Poverty*** report.

Most Canadians, regardless of income, would agree that it would be better if no one had to resort to social assistance. The Council would like to know more about situations we cannot document in our reports due to lack of available information. We know little about people who do not qualify or get cut off. There are individuals and families who will not apply because the stigma and other barriers are too great. Some of these people may get ahead through other alternatives, but some may stay in abusive relationships or add to our homeless population. We know even less about people who exit welfare, how they do it and to what extent leaving welfare behind also means leaving poverty behind.

Clearly, the answers to poverty are not going to be found in the welfare system alone. Even problems inside the welfare system might have better solutions outside of it, in the labour market or other areas of policy from child care to education. When the National Council of Welfare looked for ideas for tackling poverty in other countries and at home, and when we asked Canadians about what we learned, our respondents agreed that Canada needs a comprehensive national strategy, with targets and timelines, an action plan and budget, accountability and measurable indicators. Our ***Solving Poverty*** report from 2007 explains the four cornerstones of such a strategy and highlights the need for the political will and leadership to see it through.

What struck Council members as we discussed ***Welfare Incomes 2006 and 2007*** in this larger context, is the need for human science principles to be taken into account alongside traditional economic ones to rethink our approach to poverty. It is essentially human to want to develop, to contribute, to be respected and to belong. Adults want decent lives, especially for their children, lives that include time for each other and some freedom from fear and insecurity. A decent life in any society is not governed just by economic self-interest or achieved by a lifetime of full-time paid employment. It is about valuing each other and the diverse contributions we make and sharing in the prosperity and sense of community that we create.

We invite readers to write or send an e-mail to share your thoughts about this report with us. If you live or used to live on welfare and it enabled you to succeed in some aspect of your life we would especially like to hear what helped and what did not. If you were ever refused or cut off welfare we would like to know what impact that has had on your life.

Sincerely,

John Rook

John Rook
Chairperson

WELFARE INCOMES: KEY PATTERNS AND TRENDS

Welfare Incomes, 2006 and 2007
estimates
total welfare incomes
for 4 types of households
in each **of the**
13 provinces and territories,
and
an additional program
for people with a disability
in Alberta,
for
a total of 53 scenarios.

The 4 household types we use are:

- a single employable person;
- a single person with a disability;
- a lone parent with a 2-year-old child;

and

- a two-parent family with 2 children aged 10 and 15.

The National Council of Welfare has published similar estimates since 1986.

2006 AND 2007

Welfare Incomes, 2006 and 2007 compares welfare incomes to several measures to gain a better picture of how much the situation of people living in poverty differs from those more fortunate. The National Council of Welfare used three measures as poverty lines: the first two are before and after-tax LICOs. In light of the responses to the NCW Questionnaire on Poverty and Income Security regarding the importance of having a measure of poverty based on the real cost of living, the Market Basket Measure (MBM) has also been added. We also compare welfare incomes with average and median incomes, both before and after-tax.

- Welfare incomes in 2006 were less than two-thirds of the after-tax LICOs for 22 scenarios, out of our 53. The situation was slightly worse in 2007 with 24 cases below two-thirds of the after-tax LICOs. But for five scenarios in both years incomes were equal to or higher than 80% of the after-tax LICOs. Lone parents in Newfoundland and Labrador were closest to the poverty line using after-tax LICOs at 99% in 2006 and slightly surpassed it at 101% in 2007. Only in Ontario in the early '90s have

we recorded welfare incomes that approached this level of adequacy.

- Welfare incomes were closer to Market Basket Measures than any other measures presented in this report. Ratios to MBMs are consistently higher than ratios to after-tax LICOs. Lone-parent cases in Quebec, as well as Newfoundland and Labrador, reach the MBM level of adequacy.
- Using after-tax average income, welfare incomes in 2006 and in 2007 were above two thirds for only three scenarios: the lone parent in New Brunswick, as well as the couple with two children in Prince Edward Island and in Newfoundland and Labrador. The welfare income of the lone parent in Newfoundland and Labrador reached 75% of the after-tax average income in 2007.
- Using median income, the picture is still much the same: in all provinces, welfare incomes remain far below median incomes. Single persons continued to fare the worst.
- Two provinces were consistently at the bottom of three measures: New Brunswick for the single person, and Alberta, for both the person with a disability under the Support for Independence Program and the lone parent with one child.
- By contrast, two provinces were the highest for three measures or more: Newfoundland and Labrador for the single person and lone parent with one child, and Prince Edward Island for the couple with two children.

TOTAL WELFARE INCOMES OVER TIME

As in 2005, we looked at how total welfare incomes—provincial and territorial welfare benefits and provincial, territorial and federal child benefits and tax credits—have changed over time.

- In 2006 and 2007, welfare incomes were at their lowest point since 1986 respectively in nine and eight scenarios, down from 20 scenarios in 2005.
- Between 2000 and 2007, welfare incomes were at their lowest levels in 35 of our 52[1] scenarios. Further, five provinces—Ontario, Manitoba, Saskatchewan, Alberta and British Columbia—recorded their lowest levels of welfare incomes for all four household types during this seven-year period.

[1] In this section we are unable to consider the scenario of a person with a disability under the AISH in Alberta, since we only began to collect data in 2006.

WELFARE INCOMES AND CHILD BENEFITS

Although the federal government has increased its spending on child benefits significantly since 1998, most welfare families with children have seen little, if any, improvement in their total income.

- Lone parents in five jurisdictions (Nova Scotia, Ontario, British Columbia, Yukon and Northwest Territories) actually had lower welfare incomes in 2007 than they had in 1997 —the year before the *National Child Benefit Supplement* was introduced.

- For the couple with two children, they saw their welfare incomes decline in five jurisdictions (Nova Scotia, Ontario, Alberta, British Columbia and Yukon) between 1997 and 2007.

New elements of Welfare Incomes, 2006 and 2007 are two Venn Diagrams classifying each province and territory according to the presence of a category of program or feature to assist families with children. The three categories of programs or features used include a provincial/territorial tax credit, a provincial/territorial child benefit and no National Child Benefit Supplement clawback at all. In Diagram 1, Newfoundland and Labrador and Quebec were the only ones with all three features. In the second diagram, Saskatchewan is notable for its improvement in welfare incomes of both families between 2003 and 2007. Newfoundland and Labrador and Quebec were again the only ones with all four features. It is interesting to note that those are provinces that have well-integrated strategies for preventing and reducing poverty.

CHAPTER 1

WHAT IS WELFARE?

Welfare is the social safety net of LAST RESORT in Canada.

There are 13 DIFFERENT WELFARE SYSTEMS in Canada—one in each province and territory.

Social assistance or welfare is the social safety net of last resort in Canada. It provides money to meet the basic needs of individuals and families who have exhausted all other means of financial support.

There are 13 different welfare systems in Canada—one in each province and territory. Sometimes municipalities share responsibility with the province, such as in Ontario. First Nations people on and off reserve receive the same benefits as others, through the welfare program in the province or territory where they live.

> INAC (Indian and Northern Affairs Canada) collects data about income assistance receipt on-reserve, but there is no readily available source of comparable data about social assistance receipt by non-reserve Aboriginal people in different provinces and territories. (*First Nations, Métis and Inuit Children and Youth*, 2007, page 27)

Refugees receive income support through another department, Citizenship and Immigration Canada (CIC) which administers the Resettlement Assistance Program (RAP).

> The Resettlement Assistance Program (RAP) provides government-assisted refugees with support services and financial support for the most basic needs. Financial support is provided under the RAP to eligible refugees who cannot pay for their own basic needs. Support can include a one-time household start-up allowance and a monthly income support payment. The level of financial support is based on provincial social assistance rates in the province where they settle. (http://www.cic.gc.ca/english/information/faq/refugees/ref-support-faq03.asp accessed on September 18, 2007)

Each welfare program has **complex rules** which regulate all aspects of the system, including:

- **eligibility for assistance**;
- **the rates of assistance**;
- **the amounts of other income recipients are allowed to keep**; and
- **the way in which applicants and recipients may question decisions regarding their cases**.

Over the last decade, welfare programs have been evolving due to new approaches to child benefits. In 1998, the federal government introduced the National Child Benefit Supplement (NCBS). This provides financial benefits to low-income families with children, regardless of their source of income. Most families on welfare, however, had their federal benefit clawed back from their welfare income. As of 2006, five provinces—Newfoundland and Labrador, Nova Scotia, Quebec, Saskatchewan and British Columbia—provide financial benefits for children through an income-tested program rather than welfare. These provincial child benefits are available to all low-income families. The interaction of these child benefit programs with welfare programs has made an already complicated system even more complex.

Welfare Incomes, 2006 and 2007 looks at the amount of income received in 2006 and in 2007 by **4 typical households** on welfare:

- **a single employable person;**
- **a single person with a disability;**
- **a lone parent with a child aged 2; and**
- **a couple with 2 children aged 10 and 15.**

These four household types multiplied by 13 welfare systems gives us 52 scenarios or cases. Recently we added a fifty-third case when we decided to look at the income of a second disability program in Alberta.

The report includes information on:

- **how people qualify for welfare**;
- the **different types of assets they may keep** while on welfare; and
- **how much they can earn** while on welfare.

Later chapters assess:

- the **adequacy of welfare incomes;** and
- **trends in welfare incomes dating back to 1986**.

ELIGIBILITY

Determining eligibility for welfare is a multi-step process. First, applicants must meet the administrative requirements. Then they undergo a needs test, which looks at their assets, income and basic needs.

Administrative rules VARY throughout the country.

In general, applicants must:

- be of a **certain age** (usually between 18 and 65);

- provide **written documentation** concerning their **financial situation**;
- **pursue** any **court-ordered maintenance support** to which they are entitled; and
- provide **medical certification** of **any disabling condition**.

They must also agree to:

- **report any future changes** in their **circumstances**; and,
- where applicable, **follow any employment plans** that have been negotiated.

In some jurisdictions, applicants are routinely diverted to other programs or services before they can apply for assistance.

Applicants who meet the administrative conditions then go through a needs test[1]. The welfare department compares the budgetary needs of the household with its assets and income. Amounts for budgetary needs, covering items such as food, shelter, clothing, household expenses, transportation, personal grooming items and special needs items, are set by government regulation or policy directive. These amounts are set arbitrarily and do not necessarily reflect the actual cost of the necessities of life.

[1] From 1966 until 1996, the needs test was the central eligibility criterion under the Canada Assistance Plan (CAP), which provided federal funding towards the cost of provincial and territorial welfare programs. CAP was replaced in 1996 by the Canada Health and Social Transfer (CHST), and then by the Canada Social Transfer (CST) in 2004. Neither the CHST nor the CST include a needs test as a requirement for federal funding. To date, no province or territory has done away with the needs test outright.

First, the applicants' FIXED and LIQUID ASSETS are reviewed.

In **most** provinces and territories, **fixed assets are exempt**. Fixed assets include:

- the principal residence;
- household and personal effects;
- a vehicle (up to a certain limit); and
- the value of prepaid funerals.

Property and equipment required for employment are **also generally considered exempt**. Applicants are usually required to convert any non-exempt fixed assets into cash to cover their ongoing needs before they can qualify for welfare.

Liquid assets include:

- cash on hand and in bank accounts; and
- stocks, bonds and securities that are readily convertible to cash.

Most jurisdictions now exempt Registered Education Savings Plans. Table 1.1 presents the maximum allowable liquid asset limits in effect in January 2006 for our four typical welfare households. These limits vary according to the size of the household and, in some jurisdictions, the client's classification. For example, most recipients with a disability have higher asset exemption levels in recognition of the additional costs related to a disability. Households whose assets exceed these limits are not eligible for welfare.

Next, the welfare department identifies ALL the SOURCES OF INCOME for the household.

Each province and territory determines how income from various sources is treated—it may be **fully exempt**, **partially exempt** or **not exempt at all**. Exempt income is not taken into account when determining a household's entitlement. Examples include the Canada Child Tax Benefit Basic Benefit, provincial and territorial child welfare payments, the federal GST credit and many compensation payments (e.g., HIV, Hepatitis C). Income that is not exempt is deducted dollar for dollar from the welfare entitlement. Most pensions, Employment Insurance benefits, Workers' Compensation payments, training allowances and student assistance are considered non-exempt income. Most provinces and territories exempt a portion of a household's earnings—this is referred to as "earnings exemptions". Some have different earnings exemption provisions for those applying for welfare compared to those already receiving welfare. Earnings exemptions support welfare clients' personal efforts to join or return to the labour force by allowing them to retain a portion of their earnings.

Tables 1.3-a and 1.3-b at the end of this chapter provide a summary of earnings exemption provisions as of January 1, 2006 and as January 1, 2007 for our four household types

Finally, the welfare department subtracts all non-exempt income from the budgetary needs of the household. Applicants qualify for welfare if their household's assessed needs are greater than their non-exempted resources.

All in all, qualifying for welfare is a COMPLICATED, CUMBERSOME and STIGMATIZING process.

As welfare programs evolve—for example, providing financial assistance for children through separate income-tested child benefit programs—eligibility criteria are changing. Despite its shortcomings, the needs test provides benefits based on family size and is responsive to sudden changes in a family's circumstances. By contrast, income-tested programs are much less intrusive or stigmatizing, since they are based on the household's taxable income. Assets are not considered and there is not the ongoing monitoring or the requirement to report to authorities. However, because many income-tested programs are based on past income, they are not as responsive to rapid changes in a family's circumstances, such as significant income loss or a change in family size.

LIQUID ASSET EXEMPTION LEVELS

Table 1.1-a presents liquid asset exemption levels as of January 2006 and Table 1.1-b as of January 1, 2007. **These tables focus on provisions for our four household types only.** They also show, where applicable, the different provisions for those applying for assistance as opposed to those already receiving assistance.

There were **very few changes** between **January 2005 and January 2007**, mainly in:

- Quebec;
- Ontario;
- Alberta; and
- British Columbia.

Table 1.1-a: LIQUID ASSET EXEMPTION LEVELS AS OF JANUARY 2006 PROVISIONS FOR APPLICANTS AND RECIPIENTS[1]

	Single Employable	Single Person with a Disability	Lone Parent, One Child	Couple, Two Children
Newfoundland and Labrador	$500	$3,000[2]	$1,500	$1,500
Prince Edward Island	$50 to $200[3]	$900	$50 to $1,200[3]	$50 to $1,800[3]
Nova Scotia	$500	$500	$1,000	$1,000
New Brunswick	$1,000	$3,000	$2,000	$2,000
Quebec	Applicants: $836[4] Recipients: $1,500	Applicants: $836[4] Recipients: $2,500	Applicants: $1,195[4] Recipients: $2,859[5]	Applicants: $1,701[4] Recipients: $2,960[6]
Ontario[7]	$536	$5,000[8]	$1,487	$2,062
Manitoba[9]	Applicants: $0 Recipients: $400	$2,000	$2,000	Applicants: $0 Recipients: $1,600
Saskatchewan	$1,500	$1,500	$3,000	$4,000

1 Unless otherwise noted, the asset exemption provisions apply to both those applying for and receiving social assistance.

2 This applies to a single person with a disability requiring supportive services.

3 Applicants requiring short-term assistance (four months or less) could not have assets in excess of $50. The higher asset exemption levels applied to those requiring long-term assistance.

4 Single persons and families had to divest themselves of part of their liquid assets to qualify for welfare if their assets exceeded an amount set according to family size.At the time of application, applicant's liquid asset may not exceed the allowable limits. The determination of a household's assets excluded income received during the month of application which was to cover the cost of rent, heating and public utilities. Higher asset exemption levels applied after the first month on assistance.

5 Once an application for assistance has been approved, client's liquid asset may not exceed the allowable limits: the exemption for a lone parent was $2,500 plus $359 for the child.

6 Once an application for assistance has been approved, client's liquid asset may not exceed the allowable limits: the exemption for a couple was $2,500 plus $460 for the two children.

7 Asset levels were increased for Ontario Works clients in December 2006. The new limits were $548 for a single person, $1,508 for a lone parent and $2,084 for a couple with two children.

8 This represents the liquid asset exemption level for a single person on the Ontario Disability Supports Program.

9 Under the General Assistance provisions of the Employment and Income Assistance program, employable singles, childless couples and two-parent families are not eligible for any liquid asset exemption at application.

Table 1.1-a: LIQUID ASSET EXEMPTION LEVELS AS OF JANUARY 2006 PROVISIONS FOR APPLICANTS AND RECIPIENTS[1]

	Single Employable	Single Person with a Disability	Lone Parent, One Child	Couple, Two Children
Alberta[10]	$402	$1,270[11] $3,000	$876	$1,352
British Columbia[12]	Applicants: $660 Recipients: $1,500	$3,000	Applicants: $1,096 Recipients: $2,500	Applicants: $1,241 Recipients: $2,500
Yukon	$500	$1,500	$1,000	$1,600
Northwest Territories[13]	$0	$5,000	$0	$0
Nunavut[14]	$0	$5,000	$0	$0

[10] The maximum allowable liquid assets for those in the "expected to work" category of Income Support were equivalent to one month's core benefit for the applicable household unit. The maximum applicable National Child Benefit Supplement is included for families with children. As of January 1, 2006, asset exemption levels were $876 for a lone parent with one child and $1,352 for a couple with two children. Effective August 2006, the asset exemption levels were increased to $895 for a lone parent and $1,389 for a couple with two children as a result of the increase to the NCB Supplemente.

[11] This represented the amount for an Income Support client in the "Not Expected to Work" category. For those in the "not expected to work" category, the maximum allowable liquid asset were equivalent to two months' core benefits. As of January 1, 2006, asset exemption levels for clients in the "not expected to work" category included the Personal Needs Supplement (effective August 2005). Consequently, the asset exemption level increased to $1,270. In May 2006, core essentials for clients in the "not expected to work" increased which resulted in the new asset exemption level of $1,334.

Most people with severe and permanent disabilities received assistance under the Alberta Assured Income for the Severely Handicapped Program (AISH). AISH has an asset limit of $100,000, not including the primary residence, personal belongings, or a vehicle (includes a specially-adapted vehicle). Effective October 1, 2005, personal income support benefits were available for AISH clients with $3,000 or less in assets.

[12] The maximum allowable cash assets for applicants (other than persons with a disability) were equivalent to one month's benefit, plus $150 for a single person and $250 for a family.

[13] In the Northwest Territories there was no exemption on liquid assets other than for persons with a disability and persons 60 years of age or older.

[14] In Nunavut, there was no exemption on liquid assets other than for persons with a disability and persons 60 years of age or older.

Table 1.1-b: LIQUID ASSET EXEMPTION LEVELS AS OF JANUARY 2007 PROVISIONS FOR APPLICANTS AND RECIPIENTS[1]

	Single Employable	Single Person with a Disability	Lone Parent, One Child	Couple, Two Children
Newfoundland and Labrador	$500	$3,000[2]	$1,500	$1,500
Prince Edward Island	$50 to $200[3]	$900	$50 to $1,200[3]	$50 to $1,800[3]
Nova Scotia	$500	$500[4]	$1,000	$1,000
New Brunswick	$1,000	$3,000	$2,000	$2,000
Quebec[5]	Applicants: $852 Recipients: $1,500	Applicants: $852 Recipients: $2,500	Applicants: $1,218 Recipients: $2,866[6]	Applicants: $1,736 Recipients: $2,969[7]
Ontario[8]	$548	$5,000[9]	$1,508	$2,084
Manitoba[10]	Applicants: $0 Recipients: $400	$2,000	$2,000	Applicants: $0 Recipients: $1,600
Saskatchewan	$1,500	$1,500	$3,000	$4,000

Table 1.1-b: LIQUID ASSET EXEMPTION LEVELS AS OF JANUARY 2007 PROVISIONS FOR APPLICANTS AND RECIPIENTS[1]

	Single Employable	Single Person with a Disability	Lone Parent, One Child	Couple, Two Children
Alberta[11]	$402	$1,334[12]	$895	$1,389
British Columbia[13]	Applicants: $150 Recipients: $1,500	$3,000	Applicants: $250 Recipients: $2,500	Applicants: $250 Recipients: $2,500
Yukon	$500	$1,500	$1,000	$1,600
Northwest Territories[14]	$0	$5,000	$0	$0
Nunavut[15]	$0	$5,000	$0	$0

[1] Unless otherwise noted, the asset exemption provisions apply to both those applying for and receiving social assistance.

[2] This applies to a single person with a disability requiring supportive services.

[3] Applicants requiring short-term assistance (four months or less) could not have assets in excess of $50. The higher asset exemption levels applied to those requiring long-term assistance.

[4] A single person in the Services for Persons with Disabilities Program requiring supportive services or care needs would qualify for a $3,000 exemption. An adult in a family on SPD requiring supportive services or care needs would qualify for a $5,000 exemption.

[5] Single persons and families had to divest themselves of part of their liquid assets to qualify for welfare if their assets exceeded an amount set according to family size. At the time of application, applicant's liquid asset may not exceed the allowable limits. The determination of a household's assets excluded income received during the month of application which was to cover the cost of rent, heating and public utilities. Higher asset exemption levels applied after the first month on assistance. Starting September 1, 2007, value of donations in goods or services (clothes, furniture, food, meals served by community organisations for example) associated with no charge at all are excluded from income calculations, gains and benefits of welfare recipients.

[6] Once an application for assistance has been approved, client's liquid asset may not exceed the allowable limits: the exemption for a lone parent was $2,500 plus $366 for the child.

[7] Once an application for assistance has been approved, client's liquid asset may not exceed the allowable limits: the exemption for a couple was $2,500 plus $469 for the two children.

[8] Asset levels were increased for Ontario Works clients in December 1, 2007. The new limits were $560 for a single person, $1,529 for a lone parent and $2,107 for a couple with two children.

[9] This represents the liquid asset exemption level for a single person on the Ontario Disability Supports Program.

[10] Under the General Assistance provisions of the Employment and Income Assistance program, employable singles, childless couples and two-parent families are not eligible for any liquid asset exemption at application. As of April 1, 2007, the allowable exempted cash assets for persons with disabilities doubled to $4,000 for a single adult; up to $6,000 for a person with one dependant; $1,000 for the second and each additional dependant to a maximum of $8,000.

[11] The maximum allowable liquid assets for those in the "expected to work" category of Income Support were equivalent to one month's core benefit for the applicable household unit. The maximum applicable National Child Benefit Supplement is included for families with children. As of January 1, 2007, asset exemption levels were $895 for a lone parent with one child and $1,389 for a couple with two children. Effective August 2007, the asset exemption levels were increased to $898 for a lone parent and $1,396 for a couple with two children as a result of the increase to the NCB Supplement.

[12] This represented the amount for an Income Support client in the "Not Expected to Work" category. For those in the "not expected to work" category, the maximum allowable liquid asset were equivalent to two months' core benefits. Asset exemption levels for January 1, 2007, for clients in the "not expected to work" category included the Personal Needs Supplement (effective August 2005). In July 2007, core essentials for clients in the "not expected to work" increased which resulted in the new asset exemption level of $1,400.

Most people with severe and permanent disabilities received assistance under the Alberta Assured Income for the Severely Handicapped Program (AISH). AISH has an asset limit of $100,000, not including the primary residence, personal belongings, or a vehicle (includes a specially-adapted vehicle). Effective October 1, 2005, personal income support benefits were available for AISH clients with $3,000 or less in assets.

[13] The maximum exempt cash assets for applicants (other than persons with a disability) were $150 for a single person and $250 for a family. The maximum allowable cash assets for applicants (other than persons with a disability) were equivalent to one month's benefit, plus $150 for a single person and $250 for a family.

[14] Beginning April 1, 2007, Northwest Territories exempted liquid assets of $300 for a single employable, $380 for a lone parent with one child and $560 for a couple with two children. Persons with a disability and persons 60 years of age or older still had an exemption of $5,000.

[15] In Nunavut, there was no exemption on liquid assets other than for persons with a disability and persons 60 years of age or older.

Alberta's liquid asset exemption levels for parents increased in July 2005 and again in August 2006 following the increase to the NCB Supplement; however exemptions were still at a much lower level than they were prior to the May 2004 level when the Alberta Works program was introduced. The level for a lone parent with one child increased from $858 to $876 and then to $895, compared to $2,500 under the former Supports to Independence program, and a family with two children had its level increased to $1,352 ($35 more) and then to $1,389 compared to $2,500 prior to May 2004. The single person level stayed the same at only $402, as compared to $1,500 prior to May 2004. In August 2005, asset exemption levels for clients in the "not expected to work" category were increased when the Personal Needs Supplement was included as a supplement to core benefits. As a result, the asset exemption level increased to $1,270. Then in July 2006 it increased to $1,334 when core essentials benefits increased. Effective October 1, 2005, the liquid asset limit applying to people with severe and permanent disabilities receiving assistance under the Assured Income for the Severely Handicapped (AISH) program was set at $3,000.

Asset levels were increased for Ontario Works clients in March 2005 and in December 2006. The new limits were $536 then $548 for a single person, $1,487 then $1,508 for a lone parent with one child; and; $2,062 then $2,084 for a couple with two children, representing increases of $16 in 2005 and $12 in 2006 for the single person, $30 and $21 for the lone parent with one child and $32 and $22 for the couple with two children.

Between January 2005 and January 2006, and again between January 2006 and January 2007, Quebec is the only province where liquid asset levels increased for all households as applicants, however not by much: only $20 the first year and $16 the second for single persons, $29 the first year and $23 the second for the lone parent with one child and $40 the first year and $35 the second for the couple with two children. Liquid asset exemption levels also increased for parents as recipients, but again by only around $10 the first year and $7 the second.

None of the asset exemption levels is generous, but some are non-existent.

Having LOW OR NO EXEMPTIONS for some applicants means that they HAVE TO SPEND THEIR LAST DOLLAR before they can qualify for assistance.

This is the case for employable households in Prince Edward Island and Manitoba. In the Northwest Territories until April 1, 2007 and Nunavut, neither applicants nor recipients are allowed any liquid assets.

Having higher liquid asset levels for recipients than for applicants is hard to comprehend, because welfare incomes in all provinces and territories are so low **that it is unreasonable to expect recipients to save any money without taking away from basic needs**.

Having low or no exemptions on liquid assets appears highly problematic as well. It means that **households have no cushion** against **unforeseen**

emergencies and it makes it more difficult for them to cover additional costs as they try to move into the labour force.

> **Ensuring that people are destitute when they come onto welfare could very well help TRAP THEM IN A WEB OF DEPENDENCY by making exit from welfare that much more difficult.**

TOTAL WELFARE INCOMES

Tables 1.2-a and 1.2-b present a cross-Canada summary of the estimated total welfare income of four households on welfare in 2006 and in 2007: a single employable person, a single person with a long-term disability, a lone-parent family with a 2-year-old child, and a two-parent family with two children aged 10 and 15. Total welfare income comprises provincial and territorial welfare benefits, child benefit and tax credit programs, plus federal child benefits and the GST rebate.

The incomes in Tables 1.2-a and 1.2-b are based on the **assumption** that the typical households are **receiving the maximum basic welfare benefit**. These amounts could vary depending on the household's situation. Some households might get less if they had non-exempt income or did not follow a prescribed employment plan as a condition of eligibility. Other households might get more if they had regularly recurring special needs.

To ensure the comparability of the data as much as possible, we **made a number of assumptions in calculating the levels of assistance**. These assumptions include:

- where welfare households lived;
- the ages of the children;
- the employability of the household head;
- the type of housing;
- case history; and
- entitlement to additional assistance.

A. RESIDENCE

The welfare rates shown for each province or territory assume the household is living in the **largest urban area in the province or territory**. Some provinces and territories offer supplements to compensate welfare households living in remote areas for higher living costs.

B. AGES OF CHILDREN

Rates for families with children in this report are based on the assumption that **the child in the lone-parent family is 2 years old** and **the children in the two-parent family are 10 and 15 years old**. Some provinces and territories vary a family's benefit with the age of each child in the household.

C. EMPLOYABILITY OF THE HOUSEHOLD HEAD

We considered **the single person and couple with two children to be employable. The single person with a disability** is considered to have a **medically certified, long-term disability**.

The rates for lone parents are based on the employability classifications in each province and territory. In most jurisdictions, a lone parent with a two-year-old child would be considered unemployable or temporarily unavailable for work.

D. TYPE OF HOUSING

We assumed that the **welfare households** in this report are **tenants in the private rental market** rather than homeowners or social housing tenants. We also assumed that they did not share their accommodation. Most provinces and the three territories reduce welfare entitlements when households live in subsidized housing or share their housing.

Where shelter allowances do not include the cost of heat and utilities, we added these costs to the shelter rates. We used maximum shelter rates in all jurisdictions and we excluded any additional shelter amounts that are discretionary.

E. CASE HISTORY

In order to calculate the rates for the full year for this report, we assumed that these four typical households **started receiving welfare on January 1, 2006 or on January 1, 2007** and remained on assistance until the last day of the calendar year.

We calculated basic social assistance and applicable child benefits month by month for each category of household in each province and territory, taking into account increases or decreases in rates as of their effective dates during the year. We also assumed that welfare households did not have any income from paid work during the time they were on assistance.

BASIC SOCIAL ASSISTANCE

The column called Basic Social Assistance in Tables 1.2-a and 1.2-b shows the maximum amount that eligible households could receive from welfare to meet their basic needs. This includes amounts for food, clothing, shelter, and utilities, personal and household needs. This column also reflects any reduction in social assistance caused by the clawback of the National Child Benefit Supplement.

ADDITIONAL BENEFITS

Welfare departments also provide additional assistance for special needs, such as transportation allowances, child care, drug benefits and non-insured medical services. These may be provided in the form of cash or services. Eligibility is assessed on a case-by-case basis, depending on the household's circumstances.

Certain groups, such as persons with a disability or parents with school-age children, may receive special assistance automatically. Examples include supplementary allowances for persons with disabilities, back to school allowances and winter clothing allowances. In several provinces, special assistance also includes additional benefits to cover high shelter costs. The amounts in **Column 2** of Table 1.2 include additional benefits that are paid automatically to welfare households.

FEDERAL CHILD BENEFITS

Child benefit programs provide financial support to low-income families with children, based on an income test. **Column 3** shows the money paid by the federal government under the Canada Child Tax Benefit (CCTB), which includes both the CCTB Basic Benefit and the National Child Benefit Supplement (NCBS) and since July 2006, the Universal Child Care Benefit (UCCB).

In all jurisdictions except Alberta, the lone parent with a two-year-old received $3,796 and the couple with two older children received $5,928 during the 2006 calendar year. Alberta varies the payments according to the ages of the children, so the two welfare families in Alberta received $3,694 and $6,015 respectively in 2006.

In 2007, the lone parent received $4,435 and the couple received $6,244. The revised payments in Alberta were $4,327 for the lone parent and $6,332 for the couple.

The federal government pays the child benefits every month to low- to middle-income families with children under 18. The amounts increase every year in July. Details on the way benefits are calculated are contained in Appendix C and Appendix D at the end of this report.

PROVINCIAL AND TERRITORIAL CHILD BENEFITS

Column 4 gives the amounts of provincial or territorial child benefits paid to welfare families. Child benefit programs exist in six provinces and the three territories. With the exception of Quebec, these benefits are administered by the federal government on behalf of the provinces and territories and are included in the monthly Canada Child Tax Benefit payment.

The **child benefit** now pays **basic benefits for children outside of the welfare system** in 5 provinces:

- Newfoundland and Labrador;
- Nova Scotia;
- Quebec;
- Saskatchewan; and
- British Columbia.

It has replaced the money that was once paid through the welfare system. Some of these provinces claw back all or part of the NCB Supplement from their child benefit program;

others pass it on. Any reduction in child benefits as a result of the clawback of the NCBS is reflected in this column.

> The **welfare programs still pay basic benefits for children** in:
>
> - New Brunswick;
> - Yukon;
> - Northwest Territories; and
> - Nunavut.

The provincial or territorial child benefit is paid in addition to their welfare benefits.

The province of Ontario announced in its budget of March 22, 2007, the Ontario Child Benefit (OCB) program, to financially assist lower-income families with children. The OCB will provide a one-time payment in July 2007 and starting in July 2008 will be paid monthly. We understand that the clawback will be eliminated gradually over the next five years until the end of the restructuring of the income security system.

GST CREDIT

Column 5 shows the federal refundable credit for the Goods and Services Tax or the federal portion of the Harmonized Sales Tax in Newfoundland and Labrador, Nova Scotia and New Brunswick. The GST credit is paid quarterly to lower-income individuals and families based on net household income during the previous two tax years. Amounts change in July of each year. In 2006, the quarterly payments amounted to $229.50 for an adult or the first child in a lone-parent family ($234.50 in 2007) and $120 for each other child ($123.50 in 2007). Single adults, including lone parents, qualified for a supplement to the GST credit if their incomes were higher than $7,377 in 2004 or $7,539 in 2005 or $7,705 in 2006. The maximum supplement in 2006 was $122 and in 2007 it was $125. All lone parents automatically receive the maximum supplement.

PROVINCIAL TAX CREDITS

The tax credits in **Column 6** are the Harmonized Sales Tax Credit in Newfoundland and Labrador, the Sales and Property Tax Credits in Ontario, the Sales Tax Rebate in Saskatchewan and the Sales Tax Credit in British Columbia. The value of the Quebec Sales Tax Credit is included in Quebec's basic social assistance rate.

ENERGY COST BENEFIT
(effective in 2006 only)

Column 7 in Table 1.2-a gives the amounts of the federal energy cost benefit. **Column 8** gives the amount of the Alberta Resource Rebate.

Table 1.2-a: ESTIMATED 2006 ANNUAL WELFARE INCOMES BY TYPE OF HOUSEHOLD

*	Column 1 Basic Social Assistance (SA)	Column 2 Additional SA Program Benefits	Column 3 Federal Child Tax Benefit[1]	Column 4 Provincial Child Benefit	Column 5 GST Credit[2]	Column 6 Provincial Tax Credits	Column 7 Federal Energy Cost Benefit[3]	Column 8 Provincial Resource Rebate	Total Income
NEWFOUNDLAND AND LABRADOR [4,5]									
1 [6]	$7,662	$966			$238	$40			**$8,906**
2 [6]	$7,662	$2,466			$268	$40			**$10,436**
3 [7,8]	$11,904	$966	$3,796	$253 [9]	$580	$100	$250		**$17,850**
4 [7,8]	$12,396	$966	$5,928	$584 [9]	$701	$200	$250		**$21,024**
PRINCE EDWARD ISLAND [10]									
1 [11]	$6,138				$230				**$6,368**
2 [12]	$8,070				$237				**$8,307**
3 [13, 14]	$10,340		$3,796		$580		$250		**$14,966**
4 [13, 14]	$15,064	$350	$5,928		$701		$250		**$22,292**
NOVA SCOTIA [15, 16]									
1 [17]	$5,775				$230				**$6,005**
2	$8,730				$253				**$8,983**
3 [18, 20]	$8,970		$3,796	$445[21]	$580		$250		**$14,041**
4 [19, 20]	$11,880	$150	$5,928	$1,090[21]	$701		$250		**$19,999**
NEW BRUNSWICK [22, 23, 24]									
1	$3,258				$230				**$3,488**
2	$6,876	$1,000[25]			$235				**$8,111**
3 [26]	$9,009	$900	$3,796	$250[27]	$580		$250		**$14,785**
4 [26]	$10,095	$1,000	$5,928	$500[27]	$701		$250		**$18,474**
QUEBEC [28, 29]									
1	$6,800				$230				**$7,030**
2	$10,028				$269				**$10,297**
3 [30]	$8,180	$960	$3,796	$2,766[31]	$580		$250		**$16,533**
4 [30]	$10,533	$1,159	$5,928	$3,073[31]	$701		$250		**$21,644**

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Table 1.2-a: ESTIMATED 2006 ANNUAL WELFARE INCOMES BY TYPE OF HOUSEHOLD

*	Column 1 Basic Social Assistance (SA)	Column 2 Additional SA Program Benefits	Column 3 Federal Child Tax Benefit[1]	Column 4 Provincial Child Benefit	Column 5 GST Credit[2]	Column 6 Provincial Tax Credits	Column 7 Federal Energy Cost Benefit[3]	Column 8 Provincial Resource Rebate	Total Income
ONTARIO [32, 33]									
1	$6,444				$230	$382			**$7,056**
2	$11,548				$309	$303			**$12,160**
3 [34]	$10,402	$108	$3,796		$580	$397	$250		**$15,534**
4 [34]	$12,333	$418	$5,928		$701	$526	$250		**$20,155**
MANITOBA [35]									
1	$5,592				$230				**$5,822**
2	$7,397	$1,170			$247				**$8,814**
3 [36]	$9,636		$3,796		$580		$250		**$14,262**
4 [36]	$14,057	$160	$5,928		$701		$250		**$21,096**
SASKATCHEWAN [37, 38, 39, 40]									
1	$8,140	$80			$230	$92			**$8,542**
2 [41]	$8,072	$920			$253	$103			**$9,348**
3 [42]	$10,692	$80	$3,796	$105[43]	$580	$206	$250		**$15,709**
4 [42]	$14,096	$295	$5,928	$3[44]	$701	$360	$250		**$21,633**
ALBERTA [45, 46]									
1	$4,824				$230			$400	**$5,454**
2 [47]	$6,940	$936			$233			$400	**$8,509**
2-b [47]	$11,850				$293			$400	**$12,543**
3 [48]	$8,784		$3,694		$580		$250	$800	**$14,108**
4 [48]	$12,996	$275	$6,015		$701		$250	$1,600	**$21,837**
BRITISH COLUMBIA [49, 50]									
1	$6,120	$35			$230	$75			**$6,460**
2	$10,277	$35			$278	$75			**$10,665**
3	$10,147	$80	$3,796	$0[51]	$580	$75	$250		**$14,928**
4	$11,893	$290	$5,928	$0[52]	$701	$150	$250		**$19,212**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Table 1.2-a: ESTIMATED 2006 ANNUAL WELFARE INCOMES BY TYPE OF HOUSEHOLD

*	Column 1 Basic Social Assistance (SA)	Column 2 Additional SA Program Benefits	Column 3 Federal Child Tax Benefit[1]	Column 4 Provincial Child Benefit	Column 5 GST Credit[2]	Column 6 Provincial Tax Credits	Column 7 Federal Energy Cost Benefit[3]	Column 8 Provincial Resource Rebate	Total Income
YUKON [53]									
1	$11,990	$155			$323				**$12,468**
2	$11,990	$3,155			$351				**$15,496**
3 [54]	$15,257	$260	$3,796	$450[55]	$580		$250		**$20,593**
4 [54]	$21,056	$685	$5,657	$900[55]	$696		$250		**$29,244**
NORTHWEST TERRITORIES [56, 57]									
1	$13,280				$339				**$13,619**
2 [58]	$13,330	$3,600			$351				**$17,281**
3 [59]	$18,455		$3,796	$330[60]	$580		$250		**$23,411**
4 [59]	$25,162		$5,169	$660[60]	$701		$250		**$31,942**
NUNAVUT [61, 62, 63]									
1	$10,728				$292				**$11,020**
2	$10,868	$2,100			$336				**$13,304**
3 [64]	$18,039		$3,796	$330[65]	$580		$250		**$22,995**
4 [64]	$31,640		$3,579	$660[65]	$637		$250		**$36,766**

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

---

[1] Refers to the Canada Child Tax Benefit (CCTB), which includes the CCTB Basic Benefit and the National Child Benefit Supplement (NCBS), received between January 1 and December 31, 2006. The CCTB Basic Benefit is passed on in full to all welfare families.

[2] The federal GST includes the quarterly payments received between January 1 and December 31, 2006.

[3] The Energy Cost Benefit is a one-time federal tax exempt payment intended to help low income families with children and low-income seniors with the effects of high energy costs. Families eligible for the National Child Benefit Supplement in January 2006 (based on 2004 income) qualified for the Energy Cost Benefit payment.

NEWFOUNDLAND AND LABRADOR

[4] In December 2005, the Fuel Supplement was increased from $25 to $50 per month.

[5] Additional benefits include a supplementary shelter benefit of $61 per month for January-June 2006 ($366 for 6 months) and of $100 per month for July-December ($600 for 6 months) for all households and the Flat Rate Allowance for the Disabled of $125 per month. The additional shelter benefit is automatically paid to households in St. John's since rental costs exceed the basic shelter rate.

[6] The Family Benefit rate for singles and childless couples was increased by 1% in January 2006. A further increase of five percent came into effect in July 2006.

[7] The Family Benefit rate for lone parent and couple with children was increased by five percent in July 2006.

[8] Newfoundland and Labrador does not deduct the NCB Supplement or the Newfoundland and Labrador Child Benefit when calculating eligibility for Income Support.

[9] The Newfoundland and Labrador Child Benefit increased in July 2006 from $20.83 to $21.41 for the first child and from $27.16 to $27.91 for the second child.

PRINCE EDWARD ISLAND

[10] Additional benefits include the School Allowance, issued in August and December. The allowance is $75 for the 10-year old and $100 for the 15-year old.

[11] The shelter ceiling is $300 for single employable individuals and in certain situations such as an existing mortgage or a housing challenge, clients can receive up to $435 until June 2006 and $467 after July 1, 2006.

[12] Many disabled social assistance clients receive additional financial support through the Disability Support Program (DSP). Clients who are not eligible for the DSP may receive the Personal Care Allowance ($53 per month), the Special Care Allowance ($40 per month) and the Disability Allowance (up to $150 per month) through the Social Assistance Program. These amounts are not included in the above table.

[13] The Healthy Child Allowance was increased in August 2006 from $76 to $95 per child per month. This mirrors the increase in the National Child Benefit Supplement.

[14] PEI reduces the maximum benefit payable to families with children by the full amount of the NCB Supplement.

NOVA SCOTIA

[15] In October 2006, personal allowances increased from $190 to $200 per month.

[16] Additional benefits include the annual School Supplies Supplement of $50 for the 10-year old and $100 for the 15-year old. Additional assistance for special needs, for example child care to a maximum of $400 monthly and transportation to a maximum of $150 are assessed on a case by case basis and are not included in this report.

[17] In October 2006, the basic shelter rate for a single employable person increased from $285 to $300 per month.

[18] In October 2006, the basic shelter rate for a lone parent with one child increased from $550 to $570 per month.

[19] In October 2006, the basic shelter rate for a couple with two children increased from $600 to $620 per month.

[20] Nova Scotia passes on the full amount of the NCB Supplement.

[21] The Nova Scotia Child Benefit is $37.08 for the first child and $53.75 for the second child.

NEW BRUNSWICK

[22] Rates for the Interim Assistance, Transitional Assistance and Extended Benefit Program were increased by 2% in October 2006. Further increase is set for October 2007.

[23] New Brunswick increased the monthly Fuel Supplement from $90 to $110 on November 1, 2005. Eligibility is determined on a case-by-case basis. It is paid in addition to basic assistance and is designed to help offset high heating costs for clients who pay for heat separately. It may be paid either monthly, from November to April, or as a one-time payment. It is not included in the above table.

[24] Additional benefits include the Income Supplement Benefit for families with children to offset high shelter costs ($900 yearly), the School Supplement of $50 per child per year, and the Disability Supplement ($1,000 yearly).

[25] Certified disabled clients who are in receipt of assistance on October 1 automatically receive the Disability Supplement. This benefit was introduced in October 2000 and originally set at $250. It was increased to $500 in October 2001, $750 in October 2002 and $1,000 in October 2003.

[26] New Brunswick passes on the full amount of the NCB Supplement.

[27] The New Brunswick Child Benefit is $250 per child per year ($20.83 per month).

QUEBEC

[28] Employment Assistance rates increased in January 2006 for all client types. Basic assistance rates include the amount of the Quebec Sales Tax rebate.

[29] Additional benefits include the monthly Housing Allowance of $80 for families with children and an annual school allowance of $76 for the 10-year old and $123 for the 15-year old.

[30] The NCB Supplement is passed on in full to all social assistance families.

[31] The new Child Assistance measure was implemented in January 2005. It replaces the former Family Allowance, the tax credit for dependent children and the tax reduction for families. The maximum annual benefit, as of January 1, 2006, for a one-child family is $2,049 ($170.75 per month) and $3,073 ($256.08 per month) for a two-child family. Lone-parent families receive an additional annual supplement of $717 ($59.75 per month).

ONTARIO

[32] Ontario Works rates were increased by two percent in December 2006 and the Ontario Disability Support Program (ODSP) rates were increased by 2% in November 2006.

[33] Additional benefits include the Winter Clothing Allowance for children ($108 per child per year) and the annual Back to School Allowance of $71 for the 10-year old and $131 for the 15-year old.

[34] In July 2004, 2005 and 2006, Ontario did not deduct the increase to the NCB Supplement. Starting in July 2007, the Ontario Child Benefit (OCB) program provides a non-taxable, one-time, OCB payment of up to $250 for each dependent child under the age of 18. Starting in July 2008, the OCB will be paid monthly.

MANITOBA

[35] Additional benefits include the Income Assistance for Persons with Disabilities (IAPD) benefit of $80 per month plus the annual School supplies allowance of $60 for the 10-year old and $100 for the 15-year old. Since July 2006, it also includes the new Manitoba Shelter Benefit of $35 per month for income assistance participants who are enrolled under the disability category and reside in private rental accommodation.

[36] Manitoba no longer claws back the NCB Supplement for families on income assistance.

SASKATCHEWAN

[37] In May 2006, were increased both the Saskatchewan Assistance Plan (SAP) basic allowance rates applying for the person with a disability and the General Living Allowance rates under the Transitional Employment Allowance (TEA) program applying for the single employable person, the lone parent with one child and the couple with two children.

[38] Under SAP, Saskatchewan pays actual utility costs to persons with a disability. Amounts used are based on averages for the different household types during the 2006 calendar year. TEA utility rates for power and energy were increased effective May 2006.

[39] Additional benefits include the Temporary Energy Cost Allowance of $20 for all households, the Disabled Persons Allowance of $50 per month, the Special Transportation Allowance for the disabled of $20 per month, and the annual Education Expenses Allowance of $85 for the 10-year old and $130 for the 15-year old. The Temporary Energy Cost Allowance is in effect from December 2005 to April 2006 only.

[40] The Saskatchewan Sales Tax Credit was implemented in 2000 to help low-income residents offset the cost of the provincial sales tax. It increased to $104 per person effective July 2006.

[41] Clients with a disability may also be eligible for the Disability Rental Housing Supplement, introduced in April 2005. The amount paid depends on family size, family income and the local rental market. As of April 2006, the maximum monthly amount is $150 for a single person. The supplement is not included in the above table.

[42] Families with children may also be eligible for the Family Rental Housing Supplement, introduced in April 2005. The amount paid depends on family size, family income and the local rental market. As of April 2006, the maximum monthly amount for one- and two-child families is $119. The supplement is not included in the above table.

[43] The Saskatchewan Child benefit (SCB) was designed to be a transitional benefit and is reduced as the NCB Supplement increases. In July 2004, the SCB was enhanced through the addition of a $35 a month supplement for lone parents. Without this enhancement, the SCB would have been zero for a lone parent with one child. The SCB for a lone parent with one child was reduced to $17.42 a month effective July 2005 and reduced to zero in July 2006.

[44] The SCB was designed to be a transitional benefit and is reduced as the NCB Supplement increases. As of July 2004, the SCB for two-parent families was reduced to zero for the first child and was $17.83 a month for the second child. In July 2005 the amount for the second child was reduced to $0.58 month (paid as a lump sum). In July 2006, the amount was reduced to zero.

ALBERTA

[45] An Albertan was eligible for the Alberta 2005 Resource Rebate of $400 per person if they met the following criteria: be 18 years of age by December 2005, be residents of Alberta as of September 1, 2005, and have filed a 2004 income tax return or do so by December 31, 2006. The rebate was paid in early 2006.

[46] Additional benefits include $78 per month for Personal Needs for the person with a disability and the annual school expense allowance of $100 for the 10-year old and $175 for the 15-year old.

[47] Beginning this year, this report features both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program. Most single people with severe and permanent disabilities receive assistance under the AISH program. In April 2006, the maximum AISH benefit increased to $1,000 a month.

[48] Since August 2003, Alberta has passed on the full amount of the increase to the NCB Supplement.

BRITISH COLUMBIA

[49] A rate increase has taken effect in April 2007.

[50] Additional benefits include the annual Christmas Supplement ($35 for singles, $70 for a family with children and $10 for each child) and the annual School Start-up Supplement of $84 for the 10-year old and $116 for the 15-year old.

[51] The BC Family Bonus is reduced as the NCB Supplement increases. As of July 2004, the BC Family Bonus for a one-child family was reduced to zero.

[52] The BC Family Bonus is reduced as the NCB Supplement increases. In July 2004, the BC Family Bonus for a two-child family was $11.91 per month. Effective July 2005, it was reduced to zero.

YUKON

[53] Additional benefits include the annual Christmas Allowance of $30 per person, the Winter Clothing Allowance ($75 for persons under 14 years and $125 for persons 14 years or over), the annual School Supply Allowance of $50 for children in grades 1-5 and $65 for those in grades 6-12, and the monthly Territorial Supplementary Allowance of $250 for persons with a disability.

[54] Yukon reduces basic assistance by the full amount of the NCB Supplement.

[55] In July 2004, Yukon increased the maximum Yukon Child Benefit from $25 to $37.50 per child per month. At the same time, the threshold for the maximum benefit increased from $16,700 to $25,000.

NORTHWEST TERRITORIES

[56] The Northwest Territories Income Assistance Program generally pays actual costs of shelter, fuel and utilities. For a single person, the maximum shelter allowance is $750 per month. For lone parents and a couple with two children, the average costs in Yellowknife were used. All clients other than those with a disability and seniors must participate in a "productive choice" in order to receive income assistance.

[57] Additional benefits include the Disability Allowance of $300 a month.

[58] The rate for a person with a disability may vary. A number of disabled persons received a room and board rate of approximately $850 a month.

[59] NWT reduces basic assistance by the full amount of the NCB Supplement.

[60] The NWT Child Benefit is $27.50 per child per month.

NUNAVUT

[61] The majority of Income Support households in Nunavut reside in public housing. Applicants living in private accommodation must apply for public housing before being approved for rent payments. Private rents range from $1,000 to $2,800. The amounts used in this report are the maximum amounts as stated in policy and guidelines for the household types reported: $450 for a single person, $900 for a lone parent and $1,500 for a couple with two children.

[62] All clients other than the persons with a disability must be in receipt of assistance for two months before the regular clothing allowance is paid. Clients may only receive the seasonal clothing allowance after they have been on assistance for six consecutive months.

[63] Additional benefits include the Disability Allowance of $175 a month.

[64] Nunavut reduces basic assistance by the amount of the NCB Supplement.

[65] The Nunavut Child Benefit is $27.50 per child per month.

Table 1.2-b: ESTIMATED 2007 ANNUAL WELFARE INCOMES BY TYPE OF HOUSEHOLD

*	Column 1 Basic Social Assistance (SA)	Column 2 Additional SA Program Benefits	Column 3 Federal Child Tax Benefit[1]	Column 4 Provincial Child Benefit	Column 5 Federal GST Credit[2]	Column 6 Provincial Tax Credits	Total Income
NEWFOUNDLAND AND LABRADOR [3,4]							
1	$7,860	$1,200			$248	$40	**$9,348**
2	$7,860	$2,700			$278	$40	**$10,878**
3 [5,6]	$12,171	$1,200	$4,435	$289	$593	$100	**$18,788**
4 [5,6]	$12,675	$1,200	$6,244	$628	$716	$200	**$21,662**
PRINCE EDWARD ISLAND							
1 [7]	$6,342				$235		**$6,577**
2 [8]	$8,382				$241		**$8,623**
3 [9, 10]	$10,754		$4,435		$593		**$15,781**
4 [9, 10]	$15,597	$350[11]	$6,244		$716		**$22,906**
NOVA SCOTIA [12]							
1	$6,012				$235		**$6,247**
2	$8,832				$256		**$9,088**
3 [13, 14]	$9,252		$4,435	$445	$593		**$14,725**
4 [13, 14]	$12,264	$150[15]	$6,244	$1,090	$716		**$20,464**
NEW BRUNSWICK [16, 17, 18]							
1	$3,339				$235		**$3,574**
2 [19]	$7,038	$1,000			$237		**$8,275**
3 [20, 21]	$9,213	$960	$4,435	$250	$593		**$15,451**
4 [20, 21]	$10,329	$1,060	$6,244	$500	$716		**$18,849**
QUEBEC [22, 23]							
1 [24]	$6,865				$235		**$7,099**
2 [25]	$10,225				$275		**$10,500**
3 [24, 27, 28]	$8,257	$960[26]	$4,435	$2,823	$593		**$17,068**
4 [27, 28]	$10,635	$1,159[26]	$6,244	$3,136	$716		**$21,890**

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Table 1.2-b: ESTIMATED 2007 ANNUAL WELFARE INCOMES BY TYPE OF HOUSEHOLD

*	Column 1 Basic Social Assistance (SA)	Column 2 Additional SA Program Benefits	Column 3 Federal Child Tax Benefit[1]	Column 4 Provincial Child Benefit	Column 5 Federal GST Credit[2]	Column 6 Provincial Tax Credits	Total Income
ONTARIO [29, 30]							
1	$6,587				$235	$382	**$7,204**
2	$11,768				$312	$302	**$12,382**
3 [31, 32]	$10,654	$111	$4,435	$250	$593	$397	**$16,439**
4 [31, 32]	$12,645	$429	$6,244	$500	$716	$524	**$21,058**
MANITOBA [33, 34]							
1	$5,592				$235		**$5,827**
2	$7,397	$1,380			$249		**$9,026**
3 [35]	$9,636		$4,435		$593		**$14,664**
4 [35]	$14,057	$160	$6,244		$716		**$21,177**
SASKATCHEWAN [36, 37, 38, 39]							
1	$8,765	$0			$240	$101	**$9,105**
2 [40]	$8,570	$840			$257	$105	**$9,772**
3 [41, 42]	$11,307	$0	$4,435	$0	$593	$210	**$16,545**
4 [41, 43]	$15,001	$215	$6,244	$0	$716	$368	**$22,544**
ALBERTA [44, 45]							
1	$4,824				$235		**$5,059**
2 [46]	$7,266	$936			$238		**$8,440**
2-b	$12,450				$312		**$12,762**
3 [47]	$8,784		$4,327		$593		**$13,703**
4 [47]	$12,996	$275	$6,332		$716		**$20,319**
BRITISH COLUMBIA [48, 49]							
1	$7,020	$35			$235	$75	**$7,365**
2	$10,727	$35			$288	$75	**$11,125**
3 [50, 51]	$11,047	$80	$4,435	$0	$593	$75	**$16,230**
4 [50, 51]	$12,883	$290	$6,244	$0	$716	$150	**$20,283**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Table 1.2-b: ESTIMATED 2007 ANNUAL WELFARE INCOMES BY TYPE OF HOUSEHOLD

*	Column 1 Basic Social Assistance (SA)	Column 2 Additional SA Program Benefits	Column 3 Federal Child Tax Benefit[1]	Column 4 Provincial Child Benefit	Column 5 Federal GST Credit[2]	Column 6 Provincial Tax Credits	Total Income
YUKON [52]							
1	$11,990	$155			$325		**$12,470**
2	$11,990	$3,155			$358		**$15,503**
3 [53, 54]	$15,124	$260	$4,435	$450	$593		**$20,861**
4 [53, 54]	$20,801	$685	$5,967	$900	$716		**$29,069**
NORTHWEST TERRITORIES [55]							
1	$14,540				$348		**$14,888**
2 [56, 57]	$14,540	$4,044			$358		**$18,942**
3 [58, 59]	$15,068		$4,435	$330	$593		**$20,425**
4 [58, 59]	$24,967		$5,217	$660	$716		**$31,560**
NUNAVUT [60, 61, 62]							
1	$12,343				$296		**$12,639**
2 [63]	$12,483	$2,100			$341		**$14,924**
3 [64, 65]	$19,041		$4,435	$330	$593		**$24,399**
4 [64, 65]	$32,673		$3,736	$660	$667		**$37,736**

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

[1] Refers to the Canada Child Tax Benefit (CCTB), which includes the CCTB Basic Benefit and the National Child Benefit Supplement (NCBS), received between January 1 and December 31, 2007.

[2] The federal GST credit includes the quarterly payments received between January 1 and December 31, 2007.

NEWFOUNDLAND AND LABRADOR

[3] Over 90% of households living in the largest urban centre have rental costs that exceed the basic shelter rate and so automatically receive an additional $100.

[4] Effective April 1, 2007 the basic income support rate was increased by 1.8%, being tied to the provincial consumer price index (CPI). Indexing basic income support is planned for the next 5 years.

[5] Newfoundland and Labrador does not deduct the NCBS or the Newfoundland and Labrador Child Benefit when calculating eligibility for Income Support.

[6] The Newfoundland and Labrador Child Benefit increased in July 2005 from $19.50 to $20.83 for the first child and from $26.75 to $27.16 for the second child.

PRINCE EDWARD ISLAND

[7] The shelter ceiling is $309 for single employable individuals and in certain situations such as an existing mortgage or a housing challenge, clients can receive up to $467 until June 2007 and $482 after July, 2007.

[8] According to PEI officials, flexibility exists within the shelter allowance, as many disabled persons are unable to find suitable housing within this allowance.

Most disabled social assistance clients receive additional financial support through the Disability Support Program (DSP). Clients who are not eligible for the DSP may receive the Personal Care Allowance ($53 per month) and the Special Care Allowance ($40 per month) through the Social Assistance Program. These amounts are not included in the above table

[9] The Healthy Child Allowance was increased in July 2007 from $95 to $99 per child per month. This mirrors the increase in the National Child Benefit Supplement.

[10] PEI reduces the maximum benefit payable to families with children by the full amount of the NCB Supplement.

[11] Additional benefits include the School Allowance, issued in August and December. The allowance is $75 for the 10-year-old and $100 for the 15-year-old.

NOVA SCOTIA

[12] In October 2007, personal allowances increased from $200 to $204 per month.

[13] Nova Scotia passes on the full amount of the NCB Supplement.

[14] The Nova Scotia Child Benefit is $37.08 per month for the first child and $53.75 per month for the second child.

[15] Additional benefits include the annual School Supplies Supplement of $50 for the 10-year-old and $100 for the 15-year-old.

NEW BRUNSWICK

[16] Rates for the Interim Assistance, Transitional Assistance and Extended Benefits Program were increased in October 2007.

[17] New Brunswick increased the monthly Fuel Supplement for households heating with electricity from $110 to $130 on November 1, 2007. Eligibility is determined on a case-by-case basis. It is paid in addition to basic assistance and is designed to help offset high heating costs for clients who pay for heat separately. It may be paid either monthly, from November to April, or as a one-time payment. This is not included in the above table.

The Emergency Fuel Benefit has also been enhanced to recognize the increase in electrical rates and that these increases inherently placed households in an emergency. Therefore, these households do not have to demonstrate an '*emergency*' situation

[18] Additional benefits include the Income Supplement Benefit for families with children to offset high shelter costs ($969 in 2007), the School Supplement of $50 per child per year, and the Disability Supplement ($1,000 yearly).

[19] Certified disabled clients who are in receipt of assistance on October 1 automatically receive the Disability Supplement. This annual benefit was introduced in October 2000 and originally set at $250. It was increased to $500 in October 2001, $750 in October 2002 and $1,000 in October 2003

[20] New Brunswick passes on the full amount of the NCB Supplement.

[21] The New Brunswick Child Benefit is $250 per child per year ($20.83 per month).

QUEBEC

[22] The Individual and Family Assistance Act, adopted on June 15, 2005, came into effect on January 1, 2007. The Social Assistance Program and the Social solidarity Program replace the Employment-Assistance Program. The Social Solidarity is aimed at people with a severely limited capacity for employment.

[23] Basic assistance rates include the amount of the Quebec Sales Tax credit.

[24] Social Assistance rates are higher in January 2007 than previous Employment Assistance rate for these households.

[25] Social Solidarity rates are higher in January 2007 than previous Employment Assistance rate for this household.

[26] Additional benefits include the monthly Housing Allowance of $80 for families with children and an annual school allowance of $76 for the 10-year-old and $123 for the 15-year-old.

[27] The NCB Supplement is passed on in full to all social assistance families.

[28] The new Child Assistance measure was implemented in January 2005. It replaced the former Family Allowance, the tax credit for dependent children and the tax reduction for families. The maximum annual benefit as of January 1, 2007, for a one child family is $2,091($174.25 per month) and $3,136 ($261.33 per month) for a two-child family. Lone-parent families received an additional annual supplement of $732 ($61 per month).

ONTARIO

[29] Ontario Works basic needs and maximum shelter rates were increased by 2% effective December 1, 2007.

[30] ODSP basic needs and maximum shelter rates were increased by 2% effective November 30, 2007

[31] Additional benefits include the Winter Clothing Allowance for children ($111 per child per year) and the annual Back to School Allowance of $73 for the 10-year-old and $134 for the 15-year-old. Both were increased by 2% in 2007. These allowances are paid once a year.

[32] The Ontario Child Benefit (OCB) is a non-taxable amount paid to qualified families with children under 18 years of age. Families with family net incomes of $20,000 or less in 2006 received a one-time July 2007 OCB payment of $250 for each child under 18 years of age. The payment was reduced by 3.4% of the amount of family net income that was more than $20,000. Ontario did not deduct the July 2004 to July 2007 increases to the National Child Benefit Supplement from social assistance payments.

MANITOBA

[33] Additional benefits include the Income Assistance for Persons with Disabilities (IAPD) benefit of $80 per month plus the annual School supplies allowance of $60 for the 10-year-old and $100 for the 15-year-old.

[34] The new Manitoba Shelter Benefit, effective July 2006, includes a component for income assistance participants who are enrolled under the disability category and reside in private rental accommodation or a board and room situation. The monthly benefit is a flat rate of $35 per month for those in private rental accommodation and $15 per month for those in room and board. Effective July 2008, employable singles and childless couples will be eligible for the same flat rate benefits ($35 and $15).

[35] Manitoba no longer claws back the NCB Supplement for families on income assistance.

SASKATCHEWAN

[36] The Saskatchewan Assistance Plan (SAP) basic allowance was increased in May 2005. At the same time, the shelter allowance was restructured, resulting in an increase for the single employable and lone parent and a decrease for the couple with two children. The shelter allowance for a person with a disability did not change.

[37] Saskatchewan pays actual utility costs. Amounts used are based on averages for the different household types during the 2007 calendar year.

[38] Additional benefits include the Temporary Energy Cost Allowance of $20 for all households, the Disabled Persons Allowance of $50 per month, the Special Transportation Allowance for the disabled of $20 per month, and the annual Education Expenses Allowance of $85 for the 10-year-old and $130 for the 15-year-old. The Temporary Energy Cost Allowance is in effect from December 2005 to April 2006 only.

[39] The Saskatchewan Sales Tax Credit was implemented in 2000 to help low-income residents offset the cost of the provincial sales tax.

[40] Clients with a disability may also be eligible for the Disability Rental Housing Supplement, introduced in April 2005. The amount paid depends on family size, family income and the local rental market. The maximum monthly amount is $93 for a single person and $151 for a family (combined Family Housing Supplement and Disability Housing Supplement). The supplement is not included in the above table.

[41] Families with children may also be eligible for the Family Rental Housing Supplement, introduced in April 2005. The amount paid depends on family size, family income and the local rental market. The maximum monthly amount for one- and two-child families is $89. The supplement is not included in the above table.

[42] The Saskatchewan Child Benefit (SCB) was designed to be a transitional benefit and is reduced as the NCB Supplement increases. In July 2004, the SCB was enhanced through the addition of a $35 a month supplement for single parents. Without this enhancement, the SCB would have been zero for a lone parent with one child. Effective July 2005, the SCB for a lone parent with one child was reduced to $17.42 a month.

[43] The SCB was designed to be a transitional benefit and is reduced as the NCB Supplement increases. As of July 2004, the SCB for two-parent families was reduced to zero for the first child and was $17.83 a month for the second child. In July 2005 the amount for the second child was reduced to $0.58 month (paid as a lump sum).

ALBERTA

[44] In May 2004, Alberta implemented the Alberta Works program. This is a single support program for Albertans requiring financial assistance. It replaced the former Supports for Independence (social assistance) program, Widow's Pension program (former beneficiaries will continue to receive their Widow's Pension until they reach age 65), and, as of August 2004, the Skills Development program's living allowance for students.

[45] Additional benefits include $78 per month for Personal Needs for the person with a disability and the annual school expense allowance of $100 for the 10-year-old and $175 for the 15-year-old.

[46] This report features the most basic disability benefit under the Alberta Works program. Most single people with severe and permanent disabilities receive assistance under the Assured Income for the Severely Handicapped (AISH) program. In January 2005, the maximum AISH benefit was $850 a month. This increased to $950 a month in April 2005; to $1,000 per month in April 2006; and to $1,050 in April 2007. In addition, as of October 1, 2005, AISH clients with $3,000 or less in assets could also be eligible to receive personal income support benefits for a variety of needs such as special diets and medical transportation.

[47] Since August 2003, Alberta has passed on the full amount of the increase to the NCB Supplement.

BRITISH COLUMBIA

[48] A rate increase has taken effect in British Columbia on April 1, 2007.

[49] Additional benefits include the annual Christmas Supplement ($35 for singles, $70 for a family with children and $10 for each child) and the annual School Start-up Supplement of $84 for the 10-year-old and $116 for the 15-year-old.

[50] Additional benefits include the annual Christmas Supplement ($35 for singles, $70 for a family with children and $10 for each child) and the annual School Start-up Supplement of $84 for the 10-year old and $116 for the 15-year old.

[51] In July 2004, the BC Family Bonus for a one-child family was fully offset by the NCB Supplement. Families with one child no longer receive any BC Family Bonus.

YUKON

[52] Additional benefits include the annual Christmas Allowance of $30 per person, the Winter Clothing Allowance ($75 for persons under 14 years and $125 for persons 14 years or over), the annual School Supply Allowance of $50 for children in grades 1-5 and $65 for those in grades 6-12, and the monthly Territorial Supplementary Allowance for persons with a disability ($250 monthly).

[53] Yukon reduces social assistance by the full amount of the NCB Supplement.

[54] In July 2004, Yukon increased the maximum Yukon Child Benefit from $25 to $37.50 per child per month. At the same time, the threshold for the maximum benefit increased from $16,700 to $25,000.

NORTHWEST TERRITORIES

[55] The Northwest Territories Income Assistance Program generally pays actual costs of shelter, fuel and utilities. Increases in maximum food and shelter allowances have taken effect in Northwest Territories on September 1, 2007. All clients other than those with a disability and seniors must participate in a "productive choice" in order to receive income assistance.

[56] Additional benefits include the Disability Allowance of $300 per month.

[57] The rate for a person with a disability may vary. A number of persons with a disability received a room and board rate of approximately $850 a month.

[58] NWT reduces social assistance by the full amount of the NCB Supplement.

[59] The NWT Child Benefit is $27.50 per child per month.

NUNAVUT

[60] For the first time, we included average monthly fuel payment of $343 provided to family in private rentals over and above electricity.

[61] The majority of Income Support households in Nunavut reside in public housing where rents range from as low as $60 a month up to $1,800 per month depending on the number of family members living in the household earning income. Clients in public housing do not pay fuel, water, sewage, garbage and/or municipal needs. Costs are subsidized by the Nunavut Housing Corporation. Clients receive invoices for their electricity at a subsidized rate which may be included on the assessment.

Applicants living in private accommodation must apply for public housing before being approved for rent payments. Private rents range from $1,000 to $3,000 per month. High level approval is required prior to approving any rent amounts over $2,500 per month. This situation is due to the Housing shortage in Nunavut. The amounts used in this report are the legislated shelter maximums: $450 for a single person, $900 for a lone parent and $1,500 for a couple with two children.

[62] All clients other than the persons with a disability must be in receipt of assistance for two months before the regular clothing allowance is paid. Clients may only receive the seasonal clothing allowance after they have been on assistance for six consecutive months.

[63] Additional benefits include the Disability Allowance of $175 a month.

[64] Nunavut reduces social assistance by the amount of the NCB Supplement.

[65] The Nunavut Child Benefit is $27.50 per child per month.

HIGHEST AND LOWEST 2006 AND 2007 WELFARE INCOMES

Tables 1.2-a and 1.2-b show all 3 territories had the highest welfare incomes for the 4 household types in 2006 and 2007. However, this is largely a reflection of the high costs of living in northern Canada.

At the provincial level, the 4 household types continued to subsist on meagre levels of support.

For a single employable person, welfare incomes ranged from a low of $3,488 (2006) and $3,574 (2007) in New Brunswick to a high of $8,906 (2006) and $9,348 (2007) in Newfoundland and Labrador. The lowest welfare income for a single person with a disability was $8,111 (2006) and $8,275 (2007) in New Brunswick and the highest was in Alberta at $12,543 (2006) and $12,762 (2007) under the Assured Income for the Severely Handicapped (AISH) program. A lone parent with one child in Alberta, however, had the lowest welfare income at $14,108 (2006) and $13,703 (in 2007), compared to Newfoundland and Labrador, the highest at $17,850 (2006) and $18,788 (2007). And finally, the welfare income of a couple with two children ranged from a low of $18,474 (2006) or $18,849 (2007) in New Brunswick to a high of $22,292 (2006) or $22,906 (2007) in Prince Edward Island.

EARNINGS EXEMPTION LEVELS

The figures that appear in the tables in this report do not take into account the fact that welfare incomes may be higher if recipients have income from employment.

Earnings exemptions are an important bridge from welfare to paid employment. They not only allow recipients to increase their overall income, but they also encourage recipients to gain work experience and make the transition to the labour market.

Most provinces and territories allow welfare recipients to retain a certain amount of earned income—either a flat-rate amount, a percentage of earnings, or both—without a reduction in their welfare cheques.

Other income is treated differently. Lone parents who receive welfare are generally required to seek child support from the other parent as a condition of assistance. These payments, however, are often deducted dollar for dollar from that family's welfare payment. A known exception is Quebec, where, as of January 1, 2006, parents on welfare can keep the first $100 of child support for a minor child regardless of his or her age, while the remainder is completely deducted from the welfare cheque. Between June 1, 1998 and January 1, 2006, only those parents with children under 5 years of age could keep the first $100.

Tables 1.3-a and 1.3-b show the earnings exemption provisions in each province and territory as of January 2006 and as of January 2007 for the four typical households on welfare. It also shows, where applicable, the different levels for applicants versus recipients. The format of this table has changed from earlier reports and now focuses on provisions for our four household types only.

A number of provinces **do not allow** employable persons applying for assistance **any exemption on earnings**.

This means that earnings are **deducted in full** when determining the applicant's welfare entitlement.

In Nova Scotia and New Brunswick, this applies to the first month on assistance. In Ontario and Saskatchewan, it applies to the first three months on assistance for all clients other than those with a disability. In British Columbia there is no earnings exemption for applicants or recipients, other than for recipients with a disability.

Then, we present for the first time, three graphs illustrating as a snapshot all the information contained in Table 1.3 for three of the four household types receiving welfare for more than three months.

The RATIONALE behind the earnings exemption policies in some provinces is NOT WELL EXPLAINED and results are difficult to find.

If governments want welfare recipients to get jobs and to move off welfare as quickly as possible, it does not seem logical to have no exemptions for the first month or the first three months on assistance. These exemption limits act as clear disincentives to employment. Improving earnings exemption policies so that they provide real supports for labour force participation would be much more productive. Paying adequate welfare rates to meet basic needs would also better enable recipients to take advantage of employment opportunities.

WORKING INCOME TAX BENEFIT (WITB)

Another potential piece to the puzzle of welfare benefits and earnings is the recently introduced federal Working Income Tax Benefit or WITB. WITB took effect in the 2007 tax year and is intended for low-income individuals and families who have working income earned from employment or business[1].

The **WITB** is calculated using information including:

- **marital status**;
- **province or territory of residence**;
- **working income**;
- **net income**;
- **number of eligible dependants**; and
- **eligibility for the WITB Disability Supplement**.

[1] Canada Revenue Agency Web site accessed on July 14, 2008

Because social assistance payments are considered in the net income calculation (as well as Employment Insurance, Canada Pension Plan or Quebec Pension Plan benefits), the National Council of Welfare is interested in the WITB's impact in future years.

For single individuals without children, the maximum amount of WITB is paid if working income is between $5,550 and $9,681 for 2008. For families, the maximum amount of WITB is paid if the family's working income is between $8,095 and $14,776 for 2008. The WITB payment is gradually reduced when net income is more than $9,681 for single individuals or when family net income is more than $14,776. No WITB is paid when net income exceeds $13,081 for individuals or family net income exceeds $21,569. These amounts vary slightly for residents of Quebec, Nunavut and British Columbia. For single individuals and families who are eligible and entitled to a WITB disability supplement, the income thresholds will be slightly higher.

In March 2007, the Council, in its *Response to the 2007 Federal Budget*, welcomed a measure like the Working Income Tax Benefit which,

> (...) though very modest, is a step in the direction of alleviating some of the hardship low-income workers experience. It reflects the fact that the federal government has a role to play in solving poverty. But it is not clear that the measures targeted to low-income Canadians will, in fact, have much of an impact.

At this point, the Council has not been able to study in detail the interaction among social assistance, employment and the WITB. The Council did, however, undertake a preliminary review when the WITB was proposed.

According to the NCW's review, the WITB has potential as it will increase modestly the annual incomes of qualifying households with earnings.

Little impact can be expected on the poverty rate because beneficiaries will remain significantly below most poverty lines, but we could expect some welcome reduction of the poverty gap. We were unable to estimate its impact in encouraging employment, and we do have some concerns that those eligible include adult children living in higher income households which could confound the results. **The Council hopes that the federal government will make more detail available to the public as the WITB takes effect so we can see its impacts more precisely.**

Table 1.3-a: MONTHLY EARNINGS EXEMPTION LEVELS AS OF JANUARY 2006 PROVISIONS FOR APPLICANTS AND RECIPIENTS[1]

	Single Employable	Single Person with a Disability	Lone Parent, One Child	Couple, Two Children
Newfoundland and Labrador[2]	$75 of partially exempt income plus 10% of the excess to maximum of $150	$95 of partially exempt income plus 10% of the excess to maximum of $150[3]	$150 of partially exempt income plus 10% of the excess to a maximum exemption of $275	$150 of partially exempt income plus 10% of the excess to a maximum exemption of $275
Prince Edward Island	$75 of net earned income plus 10% of the balance	$75 of net earned income plus 10% of the balance	$125 of net earned income plus 10% of the balance	$125 of net earned income plus 10% of the balance
Nova Scotia	Applicants: no exemption Recipients: 30% of net wages	Applicants: no exemption Recipients: $150 plus 30% of net surplus[4]	Applicants: no exemption Recipients: 30% of net wages	Applicants: no exemption Recipients: 30% of net family wages
New Brunswick[5]	Applicants: no exemption Recipients: $300[6]	Applicants: no exemption Recipients: $250[7]	Applicants: no exemption Recipients: $200[8]	Applicants: no exemption Recipients: $200[8]
Quebec	$200[9]	$100[10]	$200[11]	$300[12]
Ontario[13]	Applicants: no exemption for first 3 months on assistance Recipients: 50% of gross earnings	$160 basic exemption plus 25% of net earnings[14]	Applicants: no exemption for first 3 months on assistance Recipients: 50% of gross earnings	Applicants: no exemption for first 3 months on assistance Recipients: 50% of gross earnings

1 Unless otherwise noted, the earnings exemptions levels apply to both those applying for and receiving social assistance.

2 Newfoundland and Labrador amended its earnings exemptions policy in July 2005. Single employable persons had the first $75 exempt, then 10% of the excess to a maximum exemption of $150. A single person with a disability had the first $95 exempt, then 10% of the excess to a maximum exemption of $150. Units of two or more persons had the first $150 exempt, plus 10% of the excess to a maximum exemption of $275.

3 A person with a disability is one who requires supportive services.

4 Nova Scotia's provision applied to persons with a disability participating in supported employment. Additional special needs such as transportation, child care and clothing were included in the client's basic entitlement before the exemption was applied.

5 New Brunswick has two types of wage exemptions. The regular Wage Exemption amounts are shown in the above table. The Extended Wage Exemption (EWE) provides higher exemptions to clients during their transition to self sufficiency. A client may only receive one type of exemption at any time. The EWE, which is limited to a maximum of 2 years, exempts a percentage of net income based on the household type. Singles and families with no children may receive an exemption of up to 30% of net earned income for the first 6 months, 25% of net income for the next 6 months, then the appropriate flat rate wage exemption for the remaining 12 months. Families with children may receive an exemption of up to 35% of income for the first 6 months, 30% of income for the next 6 months, then the regular flat rate wage exemption for the remaining 12 months.

6 This was for a single person receiving Interim Assistance.

7 This was for a single person with a disability receiving Extended Benefits.

8 This was for a family receiving Transitional Assistance.

9 This was for a person with no limitations to employment.

10 This was for a person with severe limitations to employment.

11 This was for a person with temporary limitations to employment.

12 This was for a couple regardless of the type of limitations to employment.

13 New earnings exemption provisions were introduced in November 2006 for Ontario Disability Support Program (ODSP) clients. The flat rate and variable exemptions were discontinued and replaced by an across-the-board exemption of 50% of gross earnings combined with a new $100 monthly work-related benefit for each adult family member who is working.

14 Disability-related work expenses up to a maximum of $140 per month could be deducted. This amount was increased to $300 in November 1, 2006.

Table 1.3-a: MONTHLY EARNINGS EXEMPTION LEVELS AS OF JANUARY 2006 PROVISIONS FOR APPLICANTS AND RECIPIENTS[1]

	Single Employable	Single Person with a Disability	Lone Parent, One Child	Couple, Two Children
Manitoba	Applicants: $100 of net earnings Recipients: after 1 month, $100 of net earnings plus 25% of net earnings over $100	Applicants: $100 of net earnings Recipients: after 1 month, $100 of net earnings plus 30% of net earnings over $100	Applicants: $115 of net earnings Recipients: after 1 month, $115 of net earnings plus 25% of net earnings over $115	Applicants: $100 of net earnings for each earner Recipients: after 1 month, $100 of net earnings plus 25% of net earnings over $100, for each earner
Saskatchewan[15]	Applicants: no exemption for first 3 months Recipients: $25 plus 20% of next $375	$100 plus 25% of the next $500	Applicants: no exemption for first 3 months Recipients: $125 Clients with earnings over $125 are eligible for the Saskatchewan Employment Supplement[16]	Applicants: no exemption for first 3 months Recipients: $125 Clients with earnings over $125 are eligible for the Saskatchewan Employment Supplement[16, 17]
Alberta	$115 of net income plus 25% of the remaining net income	$115 of net income plus 25% of the remaining net income AISH[18]: $400 plus 50% of next $600	$230 of net income plus 25% of the remaining net income	$115 of net income plus 25% of the remaining net income (for each working adult)
British Columbia	No earnings exemption	Applicants: no exemption for first 3 months Recipients: $400[19]	No earnings exemption	No earnings exemption
Yukon	Applicants: $100 Recipients: $100 plus additional 25% of surplus after 3rd consecutive month on assistance	Applicants: $100 Recipients: $100 plus additional 25% of surplus after 3rd consecutive month on assistance[20]	Applicants: $150 Recipients: $150 plus additional 25% of surplus after 3rd consecutive month on assistance	Applicants: $150 Recipients: $150 plus additional 25% of surplus after 3rd consecutive month on assistance
Northwest Territories	$200	$200	$400	$400
Nunavut	$200	$200	$400	$400

[15] Fully employable persons were not entitled to an earnings exemption until they had been on assistance for three months. On July 1, 2006, single employable persons had the first $50 exempt, plus $25 of the next $600, for a maximum of $200. A single person with a disability had the first $100 exempt plus 25% of the next $500, for a maximum of $225.

[16] The Saskatchewan Employment Supplement (SES) is a monthly payment to low-income parents who worked for pay, were self-employed or received child or spousal support. The supplement is paid at the rate of 25 to 45% of income and depends on the size of the family and the ages of the children. In January 2006, the maximum monthly benefit for lone parent with one child aged 2 was $248. A couple with two children aged 10 and 15 could receive a maximum of $288. SES rates were increased in May 2006 to $275 (1 child age two) and $319 (2 children aged 10 and 15). The SES is fully exempted income in determining entitlement to SAP benefits.

[17] The earnings exemption for a dependent child in a household unit who is working and not attending school is $350 per month plus 25% of the remaining net employment income. Employment income earned by a dependent child in a household that is attending school is 100% exempt.

[18] Persons who qualified for Assured Income for the Severely Handicapped (AISH) had higher earnings exemptions. An eligible single person had a flat rate exemption of $400 a month plus 50% of the surplus, to a total maximum exemption of $700. In addition, AISH clients were also able to receive a partial exemption for other types of income, such as investment income, of $200 a month plus 25% of the surplus.

[19] This increased to $500 in March 2006.

[20] Effective July 2005, persons who qualified for the Territorial Supplementary Allowance (payable to persons with a disability and the elderly) were eligible for an additional annual earned income exemption of $3,900.

Table 1.3-b: MONTHLY EARNINGS EXEMPTION LEVELS AS OF JANUARY 2007 PROVISIONS FOR APPLICANTS AND RECIPIENTS[1]

	Single Employable	Single Person with a Disability	Lone Parent, One Child	Couple, Two Children
Newfoundland and Labrador	$75 of partially exempt income plus 10% of the excess to maximum of $150	$95 of partially exempt income plus 10% of the excess to maximum of $150[2]	$150 of partially exempt income plus 10% of the excess to a maximum exemption of $275	$150 of partially exempt income plus 10% of the excess to a maximum exemption of $275
Prince Edward Island	$75 of net earned income plus 10% of the balance	$75 of net earned income plus 10% of the balance	$125 of net earned income plus 10% of the balance	$125 of net earned income plus 10% of the balance
Nova Scotia	Applicants: no exemption Recipients: 30% of net wages	Applicants: no exemption Recipients: $150 from supported employment plus 30% of net wages remaining[3]	Applicants: no exemption Recipients: 30% of net wages	Applicants: no exemption Recipients: 30% of net family wages
New Brunswick[5]	Applicants: no exemption Recipients: $300[5]	Applicants: no exemption Recipients: $250[6]	Applicants: no exemption Recipients: $200[7]	Applicants: no exemption Recipients: $200[7]
Quebec	$200[8]	$100[9]	$200[10]	$300[11]
Ontario	Applicants: no exemption for first 3 months on assistance Recipients: 50% of net earnings	50% of net earnings[12]	Applicants: no exemption for the first 3 months on assistance Recipients: 50% of net earnings	Applicants: no exemption for first 3 months on assistance Recipients: 50% of net earnings[13]

1 Unless otherwise noted, the earnings exemptions levels apply to both those applying for and receiving social assistance.

2 A person with a disability is one who requires supportive services.

3 Nova Scotia's provision applies to persons with a disability participating in supported employment. Additional special needs such as transportation, child care and clothing may be provided based on need.

4 New Brunswick has 2 types of wage exemptions. The regular Wage Exemption amounts are shown in the above table. The Extended Wage Exemption (EWE) provides higher exemptions to clients during their transition to self sufficiency. A client may only receive 1 type of exemption at any time. The EWE, which is limited to a maximum of 2 years, exempts a percentage of net income based on the household type. Singles and families with no children may receive an exemption of up to 30% of net earned income for the first 6 months, 25% of net income for the next 6 months, then the appropriate flat rate wage exemption for the remaining 12 months. Families with children may receive an exemption of up to 35% of income for the first 6 months, 30% of income for the next 6 months, then the regular flat rate wage exemption for the remaining 12 months.

5 This was for a single person receiving Interim Assistance.

6 This was for a single person with a disability receiving Extended Benefits.

7 This was for a family receiving Transitional Assistance.

8 This was for a person in the Social assistance program with no limitations to employment.

9 This was for a person in the Social solidarity program.

10 This was for a person in the Social assistance program with temporary limitations to employment.

11 This was for a couple in the Social assistance program regardless of the type of limitations to employment.

12 Since November 1, 2006, disability-related work expenses up to a maximum of $300 per month can be deducted, as well as up to $600 per child for informal childcare costs, and the entire amount of licensed childcare costs.

13 Since August 1, 2005 up to $600 per child for informal childcare costs and the entire amount of licensed childcare costs can be deducted. Note that the 3 month qualifying rule for earnings exemptions does not apply to child care deductions.

Table 1.3-b: MONTHLY EARNINGS EXEMPTION LEVELS AS OF JANUARY 2007 PROVISIONS FOR APPLICANTS AND RECIPIENTS[1]

	Single Employable	Single Person with a Disability	Lone Parent, One Child	Couple, Two Children
Manitoba	Applicants: $100 of net earnings Recipients: after 1 month, $100 of net earnings plus 25% of net earnings over $100	Applicants: $100 of net earnings Recipients: after 1 month, $100 of net earnings plus 30% of net earnings over $100	Applicants: $115 of net earnings Recipients: after 1 month, $115 of net earnings plus 25% of net earnings over $115	Applicants: $100 of net earnings for each earner Recipients: after 1 month, $100 of net earnings plus 25% of net earnings over $100, for each earner
Saskatchewan	Applicants: no exemption for first 3 months Recipients: $50 plus 25% of next $600 for a maximum of $200	$100 plus 25% of the next $500 for a maximum of $225	Applicants: no exemption for first 3 months Recipients: $125 Clients with earnings over $125 are eligible for the Saskatchewan Employment Supplement[15]	Applicants: no exemption for first 3 months Recipients: $125 Clients with earnings over $125 are eligible for the Saskatchewan Employment Supplement[15, 16]
Alberta	$115 of net income plus 25% of the remaining net income	$115 of net income plus 25% of the remaining net income[17]	$230 of net income plus 25% of the remaining net income	$115 of net income plus 25% of the remaining net income (for each working adult)
British Columbia	No earnings exemption	Applicants: no exemption for first 3 months Recipients: $500	No earnings exemption	No earnings exemption
Yukon[18]	Applicants: $100 Recipients: $100 plus additional 25% of surplus after 3rd consecutive month on assistance	Applicants: $100 Recipients: $100 plus additional 25% of surplus after 3rd consecutive month on assistance[19]	Applicants: $150 Recipients: $150 plus additional 25% of surplus after 3rd consecutive month on assistance	Applicants: $150 Recipients: $150 plus additional 25% of surplus after 3rd consecutive month on assistance
Northwest Territories[20]	$200	$200	$400	$400
Nunavut	$200	$200	$400	$400

[14] As of January 2008, (for February benefit month) earning exemption levels increased for all case categories to $200 of net monthly earnings plus 30% of net monthly earnings over $200. Clients enrolled less than 1 month are eligible for an exemption of up to $200 of net earnings.

[15] The Saskatchewan Employment Supplement (SES) is a monthly payment to low-income parents who worked for pay, were self-employed or received child or spousal support. The supplement is paid at the rate of 25 to 56% of income and depends on the size of the family and the ages of the children. In January 2007, the maximum monthly benefit for a single parent with one child aged 2 was $275. A couple with two children aged 10 and 15 could receive a maximum of $319. The SES is fully exempted income in determining entitlement to SAP benefits.

[16] Employment income earned by a dependent child in a household that is attending school is 100% exempt.

[17] Persons who qualified for Assured Income for the Severely Handicapped (AISH) had higher earnings exemptions. An eligible single person had a flat rate exemption of $400 a month plus 50% of the surplus, to a total maximum exemption of $700. In addition, AISH clients were also able to receive a partial exemption for other types of income, such as investment income, of $200 a month plus 25% of the surplus.

[18] Yukon has proposed a new structure that would eliminate the 3-month waiting period for the earned income exemption and will allow recipients to keep 50% of earned income.

[19] Effective July 2005, persons who qualified for the Territorial Supplementary Allowance (payable to persons with a disability and the elderly) were eligible for an additional annual earned income exemption of $3,900.

[20] As of April 1, 2007 Northwest Territories amended its earnings exemptions policy. In addition to the previous exemption levels, all types of household had an additional 15% of any earned income in excess of the applicable amount plus unearned income of the applicant and dependents if not exceeding $1,200 yearly.

Figure 1.1: Single Employable: How much of your monthly earnings will your province or territory let you keep?

January 2007

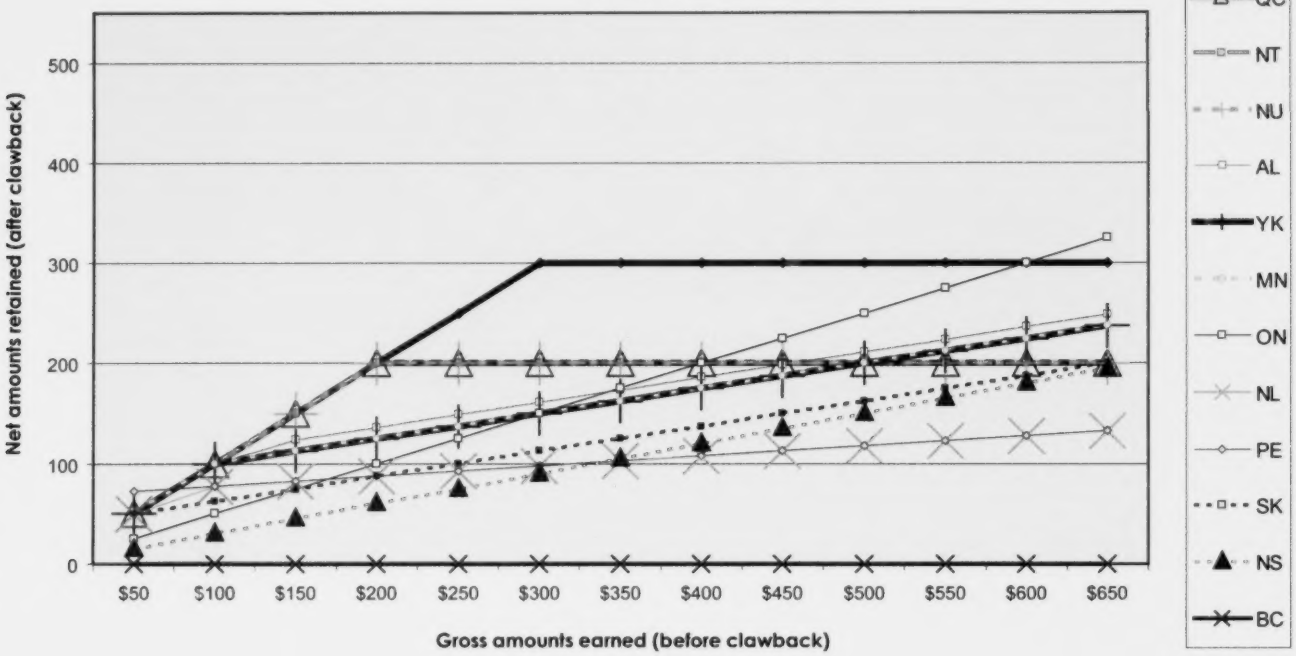


Figure 1.2: Single Person with a Disability: How much of your monthly earnings will your province or territory let you keep?

January 2007

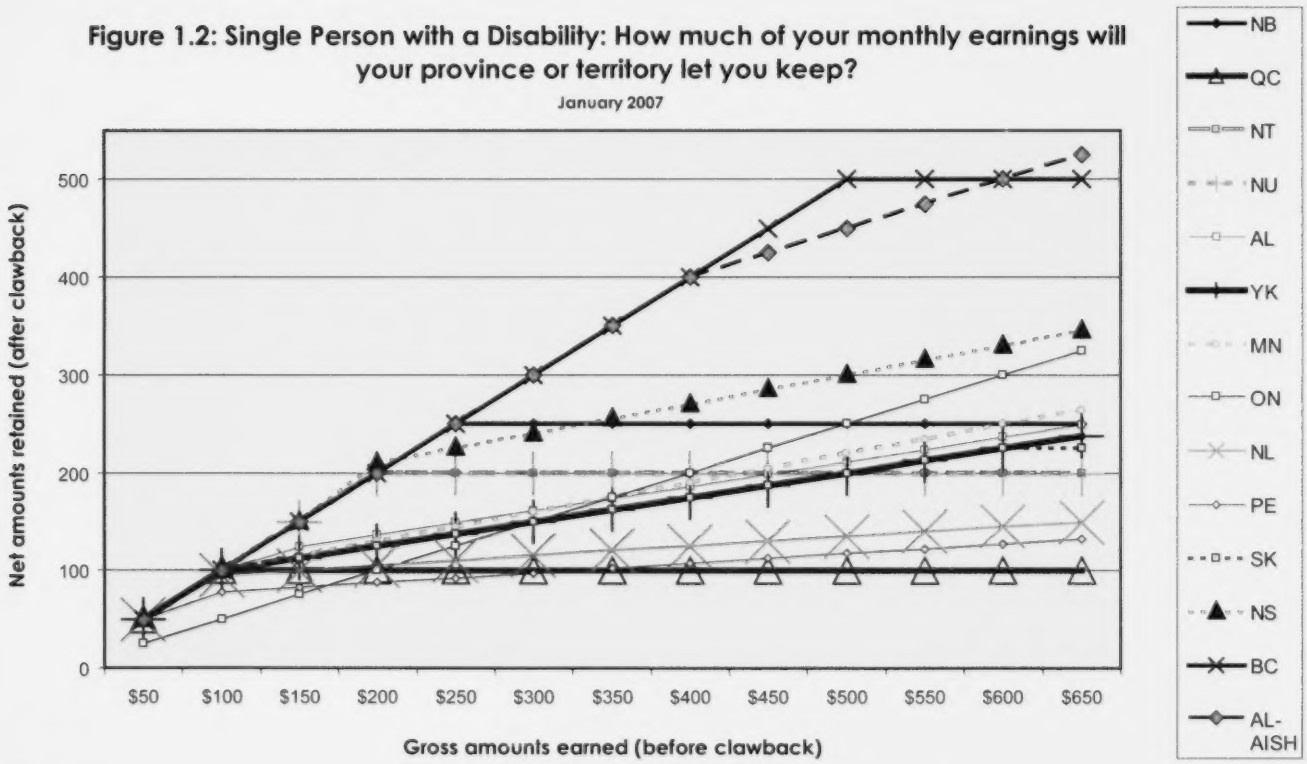
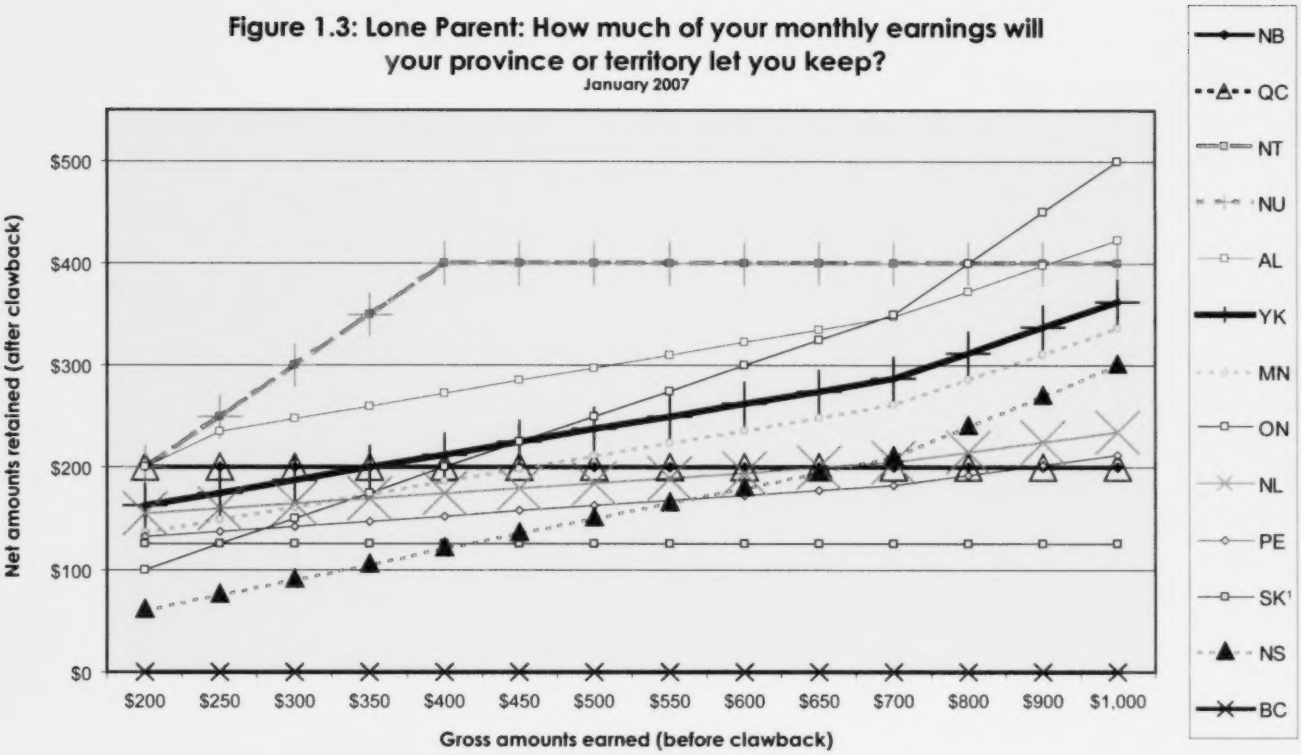


Figure 1.3: Lone Parent: How much of your monthly earnings will your province or territory let you keep?

January 2007



[1] Note that parents in Saskatchewan with earnings over $125 were eligible in 2007 for the Saskatchewan Employment Supplement (SES). This SES amount is not included in our calculation. For more details, see note 15 of Table 1.3-b.

CHAPTER 2

ADEQUACY OF WELFARE INCOMES

This chapter compares welfare incomes to several measures to gain a better picture of how much the situation of people living in poverty differs from those more fortunate.

For the majority, welfare incomes were woefully INADEQUATE in 2006 and 2007, as they have been every year since 1986, when the National Council of Welfare started tracking them.

Welfare recipients are among the poorest of the poor and have to subsist on incomes far below what most people would consider reasonable. And, hand in hand with their inadequate incomes, is the social deprivation that people on welfare experience. They are so impoverished that they cannot access the resources that many of us take for granted—resources such as adequate housing, employment, and recreational opportunities. There are a few exceptions to this pattern of inadequacy due to cumulative increases in welfare payments in recent years and, in some cases, one-time payments.

This chapter **compares welfare incomes** to **several measures** to gain a better picture of how much the situation of people living in poverty differs from those more fortunate. For *Welfare Incomes, 2006-2007,* the National Council of Welfare uses three measures as poverty lines:

- Before -tax LICOs;
- After-tax LICOs; and
- Market Basket Measure (MBM).

In light of the responses to the NCW *Questionnaire on Poverty and Income Security* regarding the importance of having a measure of poverty based on the real cost of living, the Market Basket Measure (MBM) has now been added.

We **also compare 2006 and 2007 welfare incomes** with:

- before-tax average incomes;
- after-tax average incomes;
- before-tax median incomes; and
- after-tax median incomes.

2006 AND 2007 LOW INCOME CUT-OFFS (LICOS)

Each year Statistics Canada calculates the low income cut-offs—or LICOs—for households of different sizes in communities of different sizes. They approximate levels of income where people are forced to spend a much higher proportion of their income on the basics of food, shelter and clothing compared to other Canadians.

BEFORE-TAX LICOS

Table 2.1-a compares 2006 welfare incomes to the before-tax LICOs.

BEFORE-TAX LICOs=

INCOME AFTER
government transfer payments
BUT BEFORE
the payment of federal and provincial income taxes.

Table 2.2-a does the same thing for 2007 welfare incomes. **Column 1** shows the total welfare incomes of the four typical households in the ten provinces. The three territories are not included in this table because they are excluded from the Statistics Canada survey used to generate the low income cut-offs. We have then 41 cases in this section.

Column 2 indicates the 2006 or 2007 before-tax LICOs for the largest city in each province. The poverty gap, or difference between the total welfare income and the LICOs, is shown in **Column 3**. **Column 4** represents the total welfare income as a percentage of the LICOs.

Welfare incomes continued to be WELL BELOW the before-tax LICOs.

In 2006, they were less than $^2/_3$ of the before-tax LICOs for all households in all jurisdictions, except for 4 scenarios:

- the lone parent in Newfoundland and Labrador;
- the lone parent in Prince Edward Island;
- the lone parent in Saskatchewan; and
- the couple in Prince Edward Island.

In 2007, the exceptions include 1 more case:

- the lone parent in New Brunswick.

AFTER-TAX LICOS

Tables 2.1-b and 2.2-b compare 2006 and 2007 welfare incomes to the after-tax LICOs. After-tax LICOs are increasingly used by government and others as a closer comparison of disposable income. Social assistance income is not taxable but most Canadians who may be living in low income situations do pay income tax and it reduces the amount they have to spend. Note

that payroll and goods and services taxes are not included.

Compared to the after-tax LICOs, welfare incomes in 2006 were less than $^2/_3$ of the after-tax LICOs for 22 scenarios, out of our 41.

The situation was slightly worse in 2007 with 24 cases below $^2/_3$ of the after-tax LICOs.

But they were EQUAL OR HIGHER than 80% of the after-tax LICOs for 5 scenarios in both years, with a special mention to the LONE PARENT IN NEWFOUNDLAND AND LABRADOR at 99% in 2006 and 102% in 2007.

- A **single employable person**'s income in **New Brunswick** was the **lowest**, at 23.5% of the after-tax LICOs in both 2006 and 2007. Welfare incomes of single persons hovered around 40% or $^2/_5$ of the LICOs and not one reached 65%.

- The income of a **single person with a disability** was **lowest** in **Alberta** at 48% of the after-tax LICOs in 2006 and 47% in 2007 when in the "Not expected to Work" category, followed by **Manitoba** at 50% in both years. In both years, it reached 71% of the after-tax LICOs in Alberta when in the Assured Income for the Severely Handicapped (AISH) program, just above Newfoundland and Labrador with 70% in 2006. In 2007, the income of a single person with a disability was highest in Newfoundland and Labrador at 72% of the after-tax LICOs. The majority of incomes hovered around 61%.

- The incomes of families with children were marginally better, hovering around 66 to 78% of the after-tax LICOs. In 2006, the welfare income of a **lone parent with one child** was the **lowest** in **Manitoba**, at 67% of the after-tax LICOs, but the lowest, in 2007 was in **Alberta** at 63%. In Newfoundland and Labrador welfare income of the lone parent with a child was the highest, at 99% in 2006 and at 102% in 2007.

- Finally, the welfare income of a **couple with two children** in **British Columbia** was the **lowest** at 58% of the after-tax LICOs in 2006 but **Alberta and British Columbia** were the lowest in 2007, with 60% for both. The welfare incomes were the highest at 80% of the after-tax LICOs in 2006 and 81% in 2007 in Prince Edward Island.

On average provincial welfare incomes remained well below the LICOs and thus people on welfare were living at a considerable depth of poverty. Single employable persons were by far the worst off, with most incomes hovering around $^1/_3$ of the LICOs. Single persons with a disability were marginally better off, but their incomes still were 50% of the LICOs or less in almost all provinces. Finally, lone parents and couples with children had incomes 60% or less of the LICOs in most provinces.

Table 2.1-a: COMPARISON WITH 2006 BEFORE-TAX LOW INCOME CUT-OFFS (LICOs)

*	Column 1 Total 2006 Welfare Income	Column 2 2006 Before-Tax LICOs	Column 3 2006 Before-Tax LICOs Gap	Column 4 Total Welfare Income as % of Before-Tax LICOs	Column 1 Total 2006 Welfare Income	Column 2 2006 Before-Tax LICOs	Column 3 2006 Before-Tax LICOs Gap	Column 4 Total Welfare Income as % of Before-Tax LICOs
	NEWFOUNDLAND AND LABRADOR				PRINCE EDWARD ISLAND			
1	$8,906	$18,260	-$9,354	**49%**	$6,368	$18,147	-$11,780	**35%**
2	$10,436	$18,260	-$7,824	**57%**	$8,307	$18,147	-$9,840	**46%**
3	$17,850	$22,731	-$4,881	**79%**	$14,966	$22,591	-$7,625	**66%**
4	$21,024	$33,930	-$12,906	**62%**	$22,292	$33,721	-$11,429	**66%**
	NOVA SCOTIA				NEW BRUNSWICK			
1	$6,005	$18,260	-$12,256	**33%**	$3,488	$18,260	-$14,773	**19%**
2	$8,983	$18,260	-$9,277	**49%**	$8,111	$18,260	-$10,149	**44%**
3	$14,041	$22,731	-$8,690	**62%**	$14,785	$22,731	-$7,946	**65%**
4	$19,999	$33,930	-$13,932	**59%**	$18,474	$33,930	-$15,457	**54%**
	QUEBEC				ONTARIO			
1	$7,030	$21,202	-$14,172	**33%**	$7,056	$21,202	-$14,147	**33%**
2	$10,297	$21,202	-$10,905	**49%**	$12,160	$21,202	-$9,042	**57%**
3	$16,533	$26,396	-$9,863	**63%**	$15,534	$26,396	-$10,862	**59%**
4	$21,644	$39,399	-$17,756	**55%**	$20,155	$39,399	-$19,244	**51%**
	MANITOBA				SASKATCHEWAN			
1	$5,822	$21,202	-$15,381	**27%**	$8,542	$18,260	-$9,718	**47%**
2	$8,814	$21,202	-$12,388	**42%**	$9,348	$18,260	-$8,912	**51%**
3	$14,262	$26,396	-$12,134	**54%**	$15,709	$22,731	-$7,022	**69%**
4	$21,096	$39,399	-$18,304	**54%**	$21,633	$33,930	-$12,297	**64%**
	ALBERTA				BRITISH COLUMBIA			
1	$5,454	$21,202	-$15,749	**26%**	$6,460	$21,202	-$14,743	**30%**
2	$8,509	$21,202	-$12,693	**40%**	$10,665	$21,202	-$10,537	**50%**
2-b	$12,543	$21,202	-$8,659	**59%**				
3	$14,108	$26,396	-$12,289	**53%**	$14,928	$26,396	-$11,468	**57%**
4	$21,837	$39,399	-$17,562	**55%**	$19,212	$39,399	-$20,187	**49%**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

Table 2.2-a: COMPARISON WITH 2006 AFTER-TAX LOW INCOME CUT-OFFS (LICOs)

*	Column 1 Total 2006 Welfare Income	Column 2 2006 After-Tax LICOs	Column 3 2006 After-Tax LICOs Gap	Column 4 Total Welfare Income as % of After-Tax LICOs	Column 1 Total 2006 Welfare Income	Column 2 2006 After-Tax LICOs	Column 3 2006 After-Tax LICOs Gap	Column 4 Total Welfare Income as % of After-Tax LICOs
	NEWFOUNDLAND AND LABRADOR				PRINCE EDWARD ISLAND			
1	$8,906	$14,859	-$5,953	60%	$6,368	$14,674	-$8,307	43%
2	$10,436	$14,859	-$4,423	70%	$8,307	$14,674	-$6,367	57%
3	$17,850	$18,085	-$235	99%	$14,966	$17,860	-$2,894	84%
4	$21,024	$28,095	-$7,071	75%	$22,292	$27,745	-$5,453	80%
	NOVA SCOTIA				NEW BRUNSWICK			
1	$6,005	$14,859	-$8,855	40%	$3,488	$14,859	-$11,372	23%
2	$8,983	$14,859	-$5,876	60%	$8,111	$14,859	-$6,748	55%
3	$14,041	$18,085	-$4,044	78%	$14,785	$18,085	-$3,300	82%
4	$19,999	$28,095	-$8,097	71%	$18,474	$28,095	-$9,622	66%
	QUEBEC				ONTARIO			
1	$7,030	$17,570	-$10,540	40%	$7,056	$17,570	-$10,515	40%
2	$10,297	$17,570	-$7,273	59%	$12,160	$17,570	-$5,410	69%
3	$16,533	$21,384	-$4,851	77%	$15,534	$21,384	-$5,850	73%
4	$21,644	$33,221	-$11,578	65%	$20,155	$33,221	-$13,066	61%
	MANITOBA				SASKATCHEWAN			
1	$5,822	$17,570	-$11,749	33%	$8,542	$14,859	-$6,317	57%
2	$8,814	$17,570	-$8,756	50%	$9,348	$14,859	-$5,511	63%
3	$14,262	$21,384	-$7,122	67%	$15,709	$18,085	-$2,376	87%
4	$21,096	$33,221	-$12,126	64%	$21,633	$28,095	-$6,462	77%
	ALBERTA				BRITISH COLUMBIA			
1	$5,454	$17,570	-$12,117	31%	$6,460	$17,570	-$11,111	37%
2	$8,509	$17,570	-$9,061	48%	$10,665	$17,570	-$6,905	61%
2-b	$12,543	$17,570	-$5,027	71%				
3	$14,108	$21,384	-$7,277	66%	$14,928	$21,384	-$6,456	70%
4	$21,837	$33,221	-$11,384	66%	$19,212	$33,221	-$14,009	58%

* 1= Single Employable / 2= Person with a Disability / 2-b= Person with a Disability/AISH / 3= Lone Parent, One Child / 4= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

Table 2.1-b: COMPARISON WITH 2007 BEFORE-TAX LOW INCOME CUT-OFFS (LICOs)

*	Column 1 Total 2007 Welfare Income	Column 2 2007 Before-Tax LICOs	Column 3 2007 Before-Tax LICOs Gap	Column 4 Total Welfare Income as % of Before-Tax LICOs	Column 1 Total 2007 Welfare Income	Column 2 2007 Before-Tax LICOs	Column 3 2007 Before-Tax LICOs Gap	Column 4 Total Welfare Income as % of Before-Tax LICOs
	NEWFOUNDLAND AND LABRADOR				PRINCE EDWARD ISLAND			
1	$9,348	$18,659	-$9,311	**50%**	$6,577	$18,544	-$11,968	**35%**
2	$10,878	$18,659	-$7,781	**58%**	$8,623	$18,544	-$9,921	**47%**
3	$18,788	$23,228	-$4,440	**81%**	$15,781	$23,084	-$7,303	**68%**
4	$21,662	$34,671	-$13,009	**62%**	$22,906	$34,457	-$11,551	**66%**
	NOVA SCOTIA				NEW BRUNSWICK			
1	$6,247	$18,659	-$12,413	**33%**	$3,574	$18,659	-$15,086	**19%**
2	$9,088	$18,659	-$9,571	**49%**	$8,275	$18,659	-$10,384	**44%**
3	$14,725	$23,228	-$8,503	**63%**	$15,451	$23,228	-$7,777	**67%**
4	$20,464	$34,671	-$14,208	**59%**	$18,849	$34,671	-$15,823	**54%**
	QUEBEC				ONTARIO			
1	$7,099	$21,666	-$14,567	**33%**	$7,204	$21,666	-$14,463	**33%**
2	$10,500	$21,666	-$11,166	**48%**	$12,382	$21,666	-$9,284	**57%**
3	$17,068	$26,972	-$9,904	**63%**	$16,439	$26,972	-$10,533	**61%**
4	$21,890	$40,259	-$18,370	**54%**	$21,058	$40,259	-$19,201	**52%**
	MANITOBA				SASKATCHEWAN			
1	$5,827	$21,666	-$15,840	**27%**	$9,105	$18,659	-$9,554	**49%**
2	$9,026	$21,666	-$12,640	**42%**	$9,772	$18,659	-$8,887	**52%**
3	$14,664	$26,972	-$12,308	**54%**	$16,545	$23,228	-$6,683	**71%**
4	$21,177	$40,259	-$19,083	**53%**	$22,544	$34,671	-$12,128	**65%**
	ALBERTA				BRITISH COLUMBIA			
1	$5,059	$21,666	-$16,608	**23%**	$7,365	$21,666	-$14,302	**34%**
2	$8,440	$21,666	-$13,226	**39%**	$11,125	$21,666	-$10,541	**51%**
2-b	$12,762	$21,666	-$8,904	**59%**				
3	$13,703	$26,972	-$13,269	**51%**	$16,230	$26,972	-$10,742	**60%**
4	$20,319	$40,259	-$19,940	**50%**	$20,283	$40,259	-$19,976	**50%**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

Table 2.2-b: COMPARISON WITH 2007 AFTER-TAX LOW INCOME CUT-OFFS (LICOs)

*	Column 1 Total 2007 Welfare Income	Column 2 2007 After-Tax LICOs	Column 3 2007 After-Tax LICOs Gap	Column 4 Total Welfare Income as % of After-Tax LICOs	Column 1 Total 2007 Welfare Income	Column 2 2007 After-Tax LICOs	Column 3 2007 After-Tax LICOs Gap	Column 4 Total Welfare Income as % of After-Tax LICOs
	NEWFOUNDLAND AND LABRADOR				PRINCE EDWARD ISLAND			
1	$9,348	$15,184	-$5,836	**62%**	$6,577	$14,994	-$8,418	**44%**
2	$10,878	$15,184	-$4,306	**72%**	$8,623	$14,994	-$6,371	**58%**
3	$18,788	$18,480	$308	**102%**	$15,781	$18,250	-$2,469	**86%**
4	$21,662	$28,709	-$7,047	**75%**	$22,906	$28,352	-$5,446	**81%**
	NOVA SCOTIA				NEW BRUNSWICK			
1	$6,247	$15,184	-$8,938	**41%**	$3,574	$15,184	-$11,611	**24%**
2	$9,088	$15,184	-$6,096	**60%**	$8,275	$15,184	-$6,909	**55%**
3	$14,725	$18,480	-$3,755	**80%**	$15,451	$18,480	-$3,029	**84%**
4	$20,464	$28,709	-$8,246	**71%**	$18,849	$28,709	-$9,861	**66%**
	QUEBEC				ONTARIO			
1	$7,099	$17,954	-$10,855	**40%**	$7,204	$17,954	-$10,751	**40%**
2	$10,500	$17,954	-$7,454	**58%**	$12,382	$17,954	-$5,572	**69%**
3	$17,068	$21,851	-$4,783	**78%**	$16,439	$21,851	-$5,412	**75%**
4	$21,890	$33,946	-$12,057	**64%**	$21,058	$33,946	-$12,888	**62%**
	MANITOBA				SASKATCHEWAN			
1	$5,827	$17,954	-$12,128	**32%**	$9,105	$15,184	-$6,079	**60%**
2	$9,026	$17,954	-$8,928	**50%**	$9,772	$15,184	-$5,412	**64%**
3	$14,664	$21,851	-$7,187	**67%**	$16,545	$18,480	-$1,935	**90%**
4	$21,177	$33,946	-$12,770	**62%**	$22,544	$28,709	-$6,166	**79%**
	ALBERTA				BRITISH COLUMBIA			
1	$5,059	$17,954	-$12,896	**28%**	$7,365	$17,954	-$10,590	**41%**
2	$8,440	$17,954	-$9,514	**47%**	$11,125	$17,954	-$6,829	**62%**
2-b	$12,762	$17,954	-$5,192	**71%**				
3	$13,703	$21,851	-$8,148	**63%**	$16,230	$21,851	-$5,621	**74%**
4	$20,319	$33,946	-$13,627	**60%**	$20,283	$33,946	-$13,663	**60%**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

MARKET BASKET MEASURE OR MBM

In light of the responses to the NCW Questionnaire on Poverty and Income Security regarding the importance of having a measure of poverty based on the real cost of living, the Market Basket Measure (MBM) has been added to the existing comparative measures.

The **MARKET BASKET MEASURE** was developed by Human Resources Development Canada in consultation with the Federal/Provincial/Territorial Working Group on Social Development Research and Information. This work was initiated in 1997 when Federal, Provincial and Territorial Ministers Responsible for Social Services asked officials to explore whether a new tool could be developed to complement existing measures of low income trends for families with children.

(*The National Child Benefit Progress Report*, 2005, Monitoring Progress–Societal Level Indicators, page 28)[1]

One of the key advantages of a market basket measure is that it takes into account large differences in the cost of living in different locations and for families with children, especially lone parents, and factors in the cost of child care, a major expense that has a large impact on a parent's ability to benefit from market income.

> The Council believes that MBM reflects a reasoned and reasonable definition of a minimum standard of living with acceptable living standards based on acceptable methods. The MBM is by no means a perfect measure, but in the Council's opinion, it is a fair measure of basic needs. (*Income for Living?*, Spring 2004, page 5)

One province has recently created a platform of measures of personal and community well-being based on the MBM concept. Newfoundland and Labrador has designed a system of Community Accounts which is "... *an innovative information system providing high quality neighbourhood, community, regional, and provincial level data and indicators.*" (Presentation to the NCW, June 2007) They are also working on the development of the Newfoundland and Labrador Market Basket Measure of Low Income. We hope that these Community Accounts will increase the understanding of the multi-faceted socio-economic situations of welfare recipients.[2]

To calculate the Market Basket Measure thresholds for our four types of families for 2006 and 2007, we had to use the equivalence factor provided in the MBM literature and apply these to the most recent MBM thresholds available which were for 2004, then estimate them for 2005, 2006 and 2007 using the Consumer Price Index.

WELFARE INCOMES were CLOSER to MARKET BASKET MEASURES than any other measures presented in this report.

[1] For more detail on the MBM, see http://www.hrsdc.gc.ca /en/ca/sp/sdc/pkrf/publications/research/2002-000662/page00.shtml

[2] http://www.communityaccounts.ca/CommunityAccounts/OnlineData/getdata.asp

Ratios to MBM are consistently higher than ratios to after-tax LICOs, the most similar ratios. We notice a significant difference between these two measures for all households in Quebec, Manitoba and Alberta.

RATIOS of WELFARE INCOMES compared to MBM hovered in the same range for the person with a disability, the lone parent and the couple, but the SINGLE EMPLOYABLE PERSON'S situation was DRAMATICALLY DIFFERENT.

WELFARE INCOME OF SINGLE EMPLOYABLE PERSONS

- The **lowest** in **New Brunswick**, at 28% of the MBM in 2006 and 27% in 2007.
- It reached 67% in **Newfoundland and Labrador** in both years, the **highest** among all provinces. The largest variance/discrepancy in ratios among jurisdictions is found for this household type.

WELFARE INCOME OF SINGLE PERSONS WITH A DISABILITY

- The **lowest** in **Alberta**, under the **Support for Independence** program, at 57% in 2006 and at 52% in 2007.
- It was **highest** in **Alberta** at 84% in 2006 and at 78% in 2007, under the Assured Income for the Severely Handicapped (**AISH**) program.

WELFARE INCOME OF LONE PARENT, ONE CHILD

The two households with children have the same discrepancy between the lowest and highest ratios (28 percentage points). The welfare incomes for the lone parent however are closer to the MBM:

- The **highest** ratios are in **Newfoundland and Labrador** at 103% in both years; **Quebec** at 101% in 2006 and 100% in 2007; **Saskatchewan** at 91% in 2006 and 90% in 2007 and **New Brunswick** at 91% in 2006 and 90% in 2007.
- The 3 provinces with the **lowest** ratios are **British Columbia** at 74% in 2006 and 77% in 2007; **Alberta** at 73% in 2006 and 65% in 2007, and; **Ontario** at 77% in both years.

WELFARE INCOME OF COUPLE, TWO CHILDREN

- The 3 provinces at the **lowest** are **British Columbia** at 62% in both years, **Ontario** at 65% in 2006 and at 64% in 2007 and **Nova Scotia** at 72% in 2006 and 70% in 2007.
- The **highest** is in **Quebec** at 86% in 2006 and 83% in 2007.

Table 2.3-a: 2006 WELFARE INCOMES AS A PERCENTAGE OF MARKET BASKET MEASURE (MBM)

*	Column 1 Welfare Income 2006	Column 2 Estimated 2006 MBM	Column 3 Estimated 2006 MBM Gap	Column 4 Welfare Income as % of Estimated MBM	Column 1 Welfare Income 2006	Column 2 Estimated 2006 MBM	Column 3 Estimated 2006 MBM Gap	Column 4 Welfare Income as % of Estimated MBM
	NEWFOUNDLAND AND LABRADOR				PRINCE EDWARD ISLAND			
1	$8,906	$13,344	$4,438	**67%**	$6,368	$14,407	$8,039	**44%**
2	$10,436	$13,344	$2,908	**78%**	$8,307	$14,407	$6,100	**58%**
3	$17,850	$17,348	-$502	**103%**	$14,966	$18,729	$3,763	**80%**
4	$21,024	$26,689	$5,664	**79%**	$22,292	$28,814	$6,522	**77%**
	NOVA SCOTIA				NEW BRUNSWICK			
1	$6,005	$13,906	$7,902	**43%**	$3,488	$12,555	$9,068	**28%**
2	$8,983	$13,906	$4,924	**65%**	$8,111	$12,555	$4,444	**65%**
3	$14,041	$18,078	$4,037	**78%**	$14,785	$16,322	$1,537	**91%**
4	$19,999	$27,813	$7,814	**72%**	$18,474	$25,111	$6,637	**74%**
	QUEBEC				ONTARIO			
1	$7,030	$12,652	$5,622	**56%**	$7,056	$15,593	$8,537	**45%**
2	$10,297	$12,652	$2,355	**81%**	$12,160	$15,593	$3,433	**78%**
3	$16,533	$16,447	-$85	**101%**	$15,534	$20,271	$4,737	**77%**
4	$21,644	$25,304	$3,660	**86%**	$20,155	$31,185	$11,030	**65%**
	MANITOBA				SASKATCHEWAN			
1	$5,822	$13,113	$7,292	**44%**	$8,542	$13,254	$4,712	**64%**
2	$8,814	$13,113	$4,299	**67%**	$9,348	$13,254	$3,906	**71%**
3	$14,262	$17,047	$2,785	**84%**	$15,709	$17,230	$1,521	**91%**
4	$21,096	$26,226	$5,131	**80%**	$21,633	$26,508	$4,875	**82%**
	ALBERTA				BRITISH COLUMBIA			
1	$5,454	$14,900	$9,447	**37%**	$6,460	$15,469	$9,010	**42%**
2	$8,509	$14,900	$6,392	**57%**	$10,665	$15,469	$4,804	**69%**
2-b	$12,543	$14,900	$2,357	**84%**				
3	$14,108	$19,370	$5,263	**73%**	$14,928	$20,110	$5,182	**74%**
4	$21,837	$29,801	$7,964	**73%**	$19,212	$30,939	$11,727	**62%**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

Table 2.3-b: 2007 WELFARE INCOMES AS A PERCENTAGE OF MARKET BASKET MEASURE (MBM)

*	Column 1 Welfare Income 2007	Column 2 Estimated 2007 MBM	Column 3 Estimated 2007 MBM Gap	Column 4 Welfare Income as % of Estimated MBM	Column 1 Welfare Income 2007	Column 2 Estimated 2007 MBM	Column 3 Estimated 2007 MBM Gap	Column 4 Welfare Income as % of Estimated MBM
	NEWFOUNDLAND AND LABRADOR				PRINCE EDWARD ISLAND			
1	$9,348	$13,980	$4,633	**67%**	$6,577	$15,186	$8,609	**43%**
2	$10,878	$13,980	$3,103	**78%**	$8,623	$15,186	$6,562	**57%**
3	$18,788	$18,175	-$614	**103%**	$15,781	$19,741	$3,960	**80%**
4	$21,662	$27,961	$6,298	**77%**	$22,906	$30,371	$7,465	**75%**
	NOVA SCOTIA				NEW BRUNSWICK			
1	$6,247	$14,717	$8,471	**42%**	$3,574	$13,188	$9,614	**27%**
2	$9,088	$14,717	$5,629	**62%**	$8,275	$13,188	$4,912	**63%**
3	$14,725	$19,132	$4,407	**77%**	$15,451	$17,144	$1,693	**90%**
4	$20,464	$29,434	$8,971	**70%**	$18,849	$26,376	$7,527	**71%**
	QUEBEC				ONTARIO			
1	$7,099	$13,188	$6,088	**54%**	$7,204	$16,456	$9,252	**44%**
2	$10,500	$13,188	$2,688	**80%**	$12,382	$16,456	$4,074	**75%**
3	$17,068	$17,144	$76	**100%**	$16,439	$21,393	$4,953	**77%**
4	$21,890	$26,375	$4,486	**83%**	$21,058	$32,912	$11,854	**64%**
	MANITOBA				SASKATCHEWAN			
1	$5,827	$13,923	$8,096	**42%**	$9,105	$14,178	$5,073	**64%**
2	$9,026	$13,923	$4,897	**65%**	$9,772	$14,178	$4,406	**69%**
3	$14,664	$18,100	$3,436	**81%**	$16,545	$18,432	$1,887	**90%**
4	$21,177	$27,846	$6,669	**76%**	$22,544	$28,356	$5,813	**80%**
	ALBERTA				BRITISH COLUMBIA			
1	$5,059	$16,267	$11,208	**31%**	$7,365	$16,229	$8,864	**45%**
2	$8,440	$16,267	$7,827	**52%**	$11,125	$16,229	$5,103	**69%**
2-b	$12,762	$16,267	$3,505	**78%**				
3	$13,703	$21,147	$7,444	**65%**	$16,230	$21,097	$4,867	**77%**
4	$20,319	$32,534	$12,215	**62%**	$20,283	$32,457	$12,175	**62%**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

2006 & 2007 AVERAGE INCOME

The previous sections showed that welfare incomes rarely come close to traditionally used or newer alternative measures of poverty lines, meaning that it is likely the BASIC NEEDS OF WELFARE RECIPIENTS ARE NOT BEING MET.

This section, comparing welfare incomes to average and median incomes, provides ANOTHER PERSPECTIVE on how VERY MARGINALIZED WELFARE RECIPIENTS are from the mainstream of life for most Canadians.

Tables 2.4-a and 2.5-a show welfare incomes as a percentage of both before-tax and after-tax average 2006 incomes in each province. Tables 2.4-b and 2.5-b do the same for 2007.

- For the **single employable person** and the **single person with a disability**, we used average incomes in **EACH PROVINCE FOR ALL UNATTACHED PEOPLE**.
- For **lone parents**, we used the average incomes of **LONE PARENTS UNDER 65 WITH ONE CHILD UNDER 18**.
- For the **two-parent family**, we used the average incomes of **COUPLES UNDER 65 WITH TWO CHILDREN UNDER 18**.

Average incomes vary considerably among provinces, and also among different family types. Average incomes for one-earner households are relatively low, whereas most couples with children have much higher incomes. This is because both parents in the couple are often employed.

AVERAGE INCOMES for 2006 are based on the **2005 SURVEY OF LABOUR AND INCOME DYNAMICS (SLID)**, adjusted by the **CONSUMER PRICE INDEX to 2006**.

AVERAGE INCOMES for 2007 are based on the **2006 SLID, adjusted by the CPI**.

INCOMES refer to income from **ALL SOURCES**, including government transfers.

The **3 TERRITORIES** are **NOT INCLUDED** because they are excluded from the survey.

Welfare incomes continued to be WELL BELOW the BEFORE-TAX AVERAGE INCOME. In 2006, ALL WERE LESS than $^1/_2$ of average income, except for 5 cases:

- the lone parent with one child in **New Brunswick**;
- the couple with two children in **Prince Edward Island**;
- the couple with two children in **Newfoundland and Labrador**;
- the couple with two children in **Saskatchewan**; and
- the couple with two children in **Nova Scotia**.

Compared to the after-tax average income, welfare incomes in 2006 and in 2007 were ABOVE $^2/_3$ of the AFTER-TAX AVERAGE INCOME for ONLY 3 scenarios:

- the lone parent with one child in **New Brunswick**;
- the couple with two children in **Prince Edward Island**; and
- the couple with two children in **Newfoundland and Labrador**.

No one exceeded 62% of the after-tax average income in 2006. In 2007, the situation was almost the same, with one exception: the welfare income of the lone parent in Newfoundland and Labrador reached 67%. This was in part due to an increase to the welfare income itself but was also due to a decrease of the before-tax average income of that type of family in this province. The welfare income of the lone parent in Newfoundland and Labrador reached 75% of the after-tax average income in 2007.

- The welfare income of a **single employable person** compared to **after-tax average income** was **lowest** in **Alberta** at 16% in 2006 but down to 13% in 2007. The welfare income in **Newfoundland and Labrador** was the **highest** at 39% in both years.

- The welfare income of a **person with a disability** compared to **after-tax average income** was **lowest** in **Alberta** when in the "Not expected to Work" Category at 25% in 2006 and down to 22% in 2007. The welfare income of a person under the Assured Income for the Severely Handicapped program only reached 37% of the after-tax average income in 2006 and was down to 34% in 2007. The welfare income for a person with a disability in **Newfoundland and Labrador** was the **highest** at 45% in both years.

- The welfare income of a **lone parent** compared to **after-tax average income** was the lowest in **Alberta** in both years at 43% in 2006 and at a low 37% in 2007. A person in **New Brunswick** had the **highest** ratio at 68% in 2006 but a person in **Newfoundland and Labrador** had the **highest** ratio at 75% in 2007.

- The **couple**'s income in 2006 was **lowest** in **Ontario** at 51% but in 2007 the couple's income in **Alberta** was even lower at 44%. It was **highest** at 74% in **Prince Edward Island**.

Table 2.4-a: 2006 WELFARE INCOMES AS A PERCENTAGE OF BEFORE-TAX AVERAGE INCOME

*	Welfare Income 2006	Estimated Before-Tax Average Income 2006	Welfare Income as % of Estimated Before-Tax Average Income	Welfare Income 2006	Estimated Before-Tax Average Income 2006	Welfare Income as % of Estimated Before-Tax Average Income
	NEWFOUNDLAND AND LABRADOR			PRINCE EDWARD ISLAND		
1	$8,906	$27,428	**32%**	$6,368	$24,879	**26%**
2	$10,436	$27,428	**38%**	$8,307	$24,879	**33%**
3	$17,850	$37,931	**47%**	$14,966	$30,997	**48%**
4	$21,024	$38,746	**54%**	$22,292	$36,197	**62%**
	NOVA SCOTIA			NEW BRUNSWICK		
1	$6,005	$26,307	**23%**	$3,488	$24,573	**14%**
2	$8,983	$26,307	**34%**	$8,111	$24,573	**33%**
3	$14,041	$36,095	**39%**	$14,785	$23,758	**62%**
4	$19,999	$38,950	**51%**	$18,474	$39,766	**46%**
	QUEBEC			ONTARIO		
1	$7,030	$30,385	**23%**	$7,056	$38,134	**19%**
2	$10,297	$30,385	**34%**	$12,160	$38,134	**32%**
3	$16,533	$39,052	**42%**	$15,534	$39,664	**39%**
4	$21,644	$44,864	**48%**	$20,155	$49,758	**41%**
	MANITOBA			SASKATCHEWAN		
1	$5,822	$30,181	**19%**	$8,542	$29,264	**29%**
2	$8,814	$30,181	**29%**	$9,348	$29,264	**32%**
3	$14,262	$35,076	**41%**	$15,709	$32,526	**48%**
4	$21,096	$42,825	**49%**	$21,633	$41,907	**52%**
	ALBERTA			BRITISH COLUMBIA		
1	$5,454	$40,989	**13%**	$6,460	$34,464	**19%**
2	$8,509	$40,989	**21%**	$10,665	$34,464	**31%**
2-b	$12,543	$40,989	**31%**			
3	$14,108	$37,217	**38%**	$14,928	$32,934	**45%**
4	$21,837	$51,288	**43%**	$19,212	$38,746	**50%**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

Table 2.5-a: 2006 WELFARE INCOMES AS A PERCENTAGE OF AFTER-TAX AVERAGE INCOME

*	Welfare Income 2006	Estimated After-Tax Average Income 2006	Welfare Income as % of Estimated After-Tax Average Income	Welfare Income 2006	Estimated After-Tax Average Income 2006	Welfare Income as % of Estimated After-Tax Average Income
	NEWFOUNDLAND AND LABRADOR			PRINCE EDWARD ISLAND		
1	$8,906	$23,044	**39%**	$6,368	$21,514	**30%**
2	$10,436	$23,044	**45%**	$8,307	$21,514	**39%**
3	$17,850	$30,691	**58%**	$14,966	$27,734	**54%**
4	$21,024	$30,487	**69%**	$22,292	$30,283	**74%**
	NOVA SCOTIA			NEW BRUNSWICK		
1	$6,005	$22,126	**27%**	$3,488	$21,005	**17%**
2	$8,983	$22,126	**41%**	$8,111	$21,005	**39%**
3	$14,041	$31,201	**45%**	$14,785	$21,820	**68%**
4	$19,999	$31,915	**63%**	$18,474	$32,425	**57%**
	QUEBEC			ONTARIO		
1	$7,030	$24,879	**28%**	$7,056	$31,201	**23%**
2	$10,297	$24,879	**41%**	$12,160	$31,201	**39%**
3	$16,533	$32,425	**51%**	$15,534	$33,852	**46%**
4	$21,644	$35,279	**61%**	$20,155	$39,562	**51%**
	MANITOBA			SASKATCHEWAN		
1	$5,822	$24,981	**23%**	$8,542	$24,471	**35%**
2	$8,814	$24,981	**35%**	$9,348	$24,471	**38%**
3	$14,262	$29,875	**48%**	$15,709	$29,366	**53%**
4	$21,096	$33,954	**62%**	$21,633	$34,158	**63%**
	ALBERTA			BRITISH COLUMBIA		
1	$5,454	$33,852	**16%**	$6,460	$28,958	**22%**
2	$8,509	$33,852	**25%**	$10,665	$28,958	**37%**
2-b	$12,543	$33,852	**37%**			
3	$14,108	$32,934	**43%**	$14,928	$29,468	**51%**
4	$21,837	$41,601	**52%**	$19,212	$32,323	**59%**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

Table 2.4-b: 2007 WELFARE INCOMES AS A PERCENTAGE OF BEFORE-TAX AVERAGE INCOME

*	Welfare Income 2007	Estimated Before-Tax Average Income 2007	Welfare Income as % of Estimated Before-Tax Average Income	Welfare Income 2007	Estimated Before-Tax Average Income 2007	Welfare Income as % of Estimated Before-Tax Average Income
	NEWFOUNDLAND AND LABRADOR			PRINCE EDWARD ISLAND		
1	$9,348	$28,830	**32%**	$6,577	$25,150	**26%**
2	$10,878	$28,830	**38%**	$8,623	$25,150	**34%**
3	$18,788	$28,114	**67%**	$15,781	$30,875	**51%**
4	$21,662	$42,427	**51%**	$22,906	$37,111	**62%**
	NOVA SCOTIA			NEW BRUNSWICK		
1	$6,247	$27,501	**23%**	$3,574	$26,888	**13%**
2	$9,088	$27,501	**33%**	$8,275	$26,888	**31%**
3	$14,725	$37,315	**39%**	$15,451	$24,843	**62%**
4	$20,464	$41,303	**50%**	$18,849	$40,178	**47%**
	QUEBEC			ONTARIO		
1	$7,099	$31,999	**22%**	$7,204	$39,258	**18%**
2	$10,500	$31,999	**33%**	$12,382	$39,258	**32%**
3	$17,068	$41,814	**41%**	$16,439	$42,938	**38%**
4	$21,890	$47,437	**46%**	$21,058	$50,299	**42%**
	MANITOBA			SASKATCHEWAN		
1	$5,827	$31,284	**19%**	$9,105	$31,181	**29%**
2	$9,026	$31,284	**29%**	$9,772	$31,181	**31%**
3	$14,664	$43,347	**34%**	$16,545	$33,328	**50%**
4	$21,177	$42,415	**50%**	$22,544	$44,881	**50%**
	ALBERTA			BRITISH COLUMBIA		
1	$5,059	$46,414	**11%**	$7,365	$37,009	**20%**
2	$8,440	$46,414	**18%**	$11,125	$37,009	**30%**
2-b	$12,762	$46,414	**27%**			
3	$13,703	$42,938	**32%**	$16,230	$34,760	**47%**
4	$20,319	$57,149	**36%**	$20,283	$42,632	**48%**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

Table 2.5-b: 2007 WELFARE INCOMES AS A PERCENTAGE OF AFTER-TAX AVERAGE INCOME

*	Welfare Income 2007	Estimated After-Tax Average Income 2007	Welfare Income as % of Estimated After-Tax Average Income	Welfare Income 2007	Estimated After-Tax Average Income 2007	Welfare Income as % of Estimated After-Tax Average Income
	NEWFOUNDLAND AND LABRADOR			PRINCE EDWARD ISLAND		
1	$9,348	$24,025	**39%**	$6,577	$21,265	**31%**
2	$10,878	$24,025	**45%**	$8,623	$21,265	**41%**
3	$18,788	$25,150	**75%**	$15,781	$28,114	**56%**
4	$21,662	$33,022	**66%**	$22,906	$30,875	**74%**
	NOVA SCOTIA			NEW BRUNSWICK		
1	$6,247	$23,207	**27%**	$3,574	$22,798	**16%**
2	$9,088	$23,207	**39%**	$8,275	$22,798	**36%**
3	$14,725	$32,510	**45%**	$15,451	$22,900	**67%**
4	$20,464	$33,635	**61%**	$18,849	$33,022	**57%**
	QUEBEC			ONTARIO		
1	$7,099	$25,865	**27%**	$7,204	$31,999	**23%**
2	$10,500	$25,865	**41%**	$12,382	$31,999	**39%**
3	$17,068	$34,453	**50%**	$16,439	$36,702	**45%**
4	$21,890	$37,213	**59%**	$21,058	$40,280	**52%**
	MANITOBA			SASKATCHEWAN		
1	$5,827	$25,865	**23%**	$9,105	$25,865	**35%**
2	$9,026	$25,865	**35%**	$9,772	$25,865	**38%**
3	$14,664	$35,373	**41%**	$16,545	$29,852	**55%**
4	$21,177	$34,146	**62%**	$22,544	$36,395	**62%**
	ALBERTA			BRITISH COLUMBIA		
1	$5,059	$38,031	**13%**	$7,365	$30,875	**24%**
2	$8,440	$38,031	**22%**	$11,125	$30,875	**36%**
2-b	$12,762	$38,031	**34%**			
3	$13,703	$37,418	**37%**	$16,230	$30,466	**53%**
4	$20,319	$46,312	**44%**	$20,283	$35,169	**58%**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

2006 & 2007 MEDIAN INCOME

Tables 2.6-a and 2.7-a compare welfare incomes to the median both before-tax and after-tax 2006 incomes of families. Tables 2.6-b and 2.7-b do the same for 2007.

The **MEDIAN INCOME** is the **MIDPOINT** of the income spectrum: $^1/_2$ of incomes are below it and the other $^1/_2$ are above it.

It is considered by many to be a **BETTER INDICATOR** than an **AVERAGE**, which is distorted by extremely high or low amounts.

The data were produced by the Small Area and Administrative Data Division of Statistics Canada based on:

- **income tax data** for **2005** and for **2006**
- for the **4 typical households**
- in the **largest municipal area** in **each province**.

Data are based on:

- the **definition of a Census family**.

Data for the **entire territory** were used for **Yukon, the Northwest Territories and Nunavut**. This section has 53 cases, including two persons with a disability in Alberta in two different programs. In our figures, **income** includes:

- **market income**; and
- **government transfers before taxes**.

ALL INCOME DATA
have been adjusted by the **CONSUMER PRICE INDEX** to provide 2006 and 2007 estimates.

The picture is STILL MUCH THE SAME:

- in **ALL PROVINCES**, welfare incomes remain **FAR BELOW** median incomes.

SINGLE PERSONS continued to fare the WORST.

- A **single employable person** in **New Brunswick** has the **lowest** ratio of welfare income compared to after-tax median income at 19% in 2006 and at 18% in 2007. A **single person** in **Newfoundland and Labrador** had the **highest** at 50% in both years.
- In 2006, the welfare income compared to after-tax median income was **lowest** at 33% in **Alberta** for a **person with a disability** under the **Support for Independence program**. In 2007, the ratio decreased to 29%. **Yukon** had the **highest** ratio in 2006 at 60%, just above **Newfoundland and Labrador** at 59%. In 2007, **Northwest Territories** had the highest ratio at 60%, above

Newfoundland and Labrador at 58%, **Yukon** being down at 56%.

- **Alberta** had as well the **lowest** ratio for a **lone parent** at 41% in 2006, and **Nunavut** had the **highest** at 116%, above the **Northwest Territories** at 81%. In 2007, **Alberta** had still the **lowest** ratio at 35%, and **Nunavut** the **highest** at 114%, but Newfoundland and Labrador was the **second highest** at 69%.
- For a third time in comparing welfare income to after-tax median income, **Alberta** had the **lowest** at 26% in 2006 and 22% in 2007 for the couple with two children. Nunavut had the highest at 61% in 2006 and 58% in 2007, above Yukon at 35% in 2006 and 33% in 2007.
- The territories are consistently at the top of the rankings, especially Nunavut in the cases of the couple and the lone parent. This is due to high welfare incomes combined with the lowest median incomes among all, at $19,883 for the lone parent and $60,261 for the couple in 2006, ($21,469 for the lone parent and $65,430 for the couple in 2007) likely a reflection of higher cost of living in the North, among other things.

Table 2.6-a: 2006 WELFARE INCOMES AS A PERCENTAGE OF BEFORE-TAX MEDIAN INCOME

*	Welfare Income 2006	Estimated Before-Tax Median Income 2006	Welfare Income as % of Estimated Before-Tax Median Income	Welfare Income 2006	Estimated Before-Tax Median Income 2006	Welfare Income as % of Estimated Before-Tax Median Income
	NEWFOUNDLAND AND LABRADOR			PRINCE EDWARD ISLAND		
1	$8,906	$18,761	**47%**	$6,368	$20,189	**32%**
2	$10,436	$18,761	**56%**	$8,307	$20,189	**41%**
3	$17,850	$26,613	**67%**	$14,966	$29,468	**51%**
4	$21,024	$84,834	**25%**	$22,292	$79,532	**28%**
	NOVA SCOTIA			NEW BRUNSWICK		
1	$6,005	$23,452	**26%**	$3,488	$20,087	**17%**
2	$8,983	$23,452	**38%**	$8,111	$20,087	**40%**
3	$14,041	$29,671	**47%**	$14,785	$26,409	**56%**
4	$19,999	$88,097	**23%**	$18,474	$83,203	**22%**

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Table 2.6-a: 2006 WELFARE INCOMES AS A PERCENTAGE OF BEFORE-TAX MEDIAN INCOME

*	Welfare Income 2006	Estimated Before-Tax Median Income 2006	Welfare Income as % of Estimated Before-Tax Median Income	Welfare Income 2006	Estimated Before-Tax Median Income 2006	Welfare Income as % of Estimated Before-Tax Median Income
	QUEBEC			ONTARIO		
1	$7,030	$21,107	33%	$7,056	$23,044	31%
2	$10,297	$21,107	49%	$12,160	$23,044	53%
3	$16,533	$32,221	51%	$15,534	$32,221	48%
4	$21,644	$84,018	26%	$20,155	$84,018	24%
	MANITOBA			SASKATCHEWAN		
1	$5,822	$23,044	25%	$8,542	$22,738	38%
2	$8,814	$23,044	38%	$9,348	$22,738	41%
3	$14,262	$31,711	45%	$15,709	$27,530	57%
4	$21,096	$84,222	25%	$21,633	$87,077	25%
	ALBERTA			BRITISH COLUMBIA		
1	$5,454	$29,264	19%	$6,460	$23,044	28%
2	$8,509	$29,264	29%	$10,665	$23,044	46%
2-b	$12,543	$29,264	43%			
3	$14,108	$37,319	38%	$14,928	$30,589	49%
4	$21,837	$101,046	22%	$19,212	$76,779	25%
	YUKON			NORTHWEST TERRITORIES		
1	$12,468	$28,346	44%	$13,619	$33,954	40%
2	$15,496	$28,346	55%	$17,281	$33,954	51%
3	$20,593	$35,687	58%	$23,411	$29,977	78%
4	$29,244	$99,517	29%	$31,942	$114,913	28%
	NUNAVUT					
1	$11,020	$30,589	36%			
2	$13,304	$30,589	43%			
3	$22,995	$19,883	116%			
4	$36,766	$67,908	54%			

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

Table 2.7-a: 2006 WELFARE INCOMES AS A PERCENTAGE OF AFTER-TAX MEDIAN INCOME

*	Welfare Income 2006	Estimated After-Tax Average Income 2006	Welfare Income as % of Estimated After-Tax Average Income	Welfare Income 2006	Estimated After-Tax Average Income 2006	Welfare Income as % of Estimated After-Tax Average Income
	NEWFOUNDLAND AND LABRADOR			PRINCE EDWARD ISLAND		
1	$8,906	$17,742	50%	$6,368	$18,761	34%
2	$10,436	$17,742	59%	$8,307	$18,761	44%
3	$17,850	$25,491	70%	$14,966	$27,530	54%
4	$21,024	$70,253	30%	$22,292	$67,296	33%
	NOVA SCOTIA			NEW BRUNSWICK		
1	$6,005	$21,107	28%	$3,488	$18,761	19%
2	$8,983	$21,107	43%	$8,111	$18,761	43%
3	$14,041	$27,836	50%	$14,785	$25,389	58%
4	$19,999	$72,088	28%	$18,474	$68,928	27%
	QUEBEC			ONTARIO		
1	$7,030	$19,577	36%	$7,056	$21,310	33%
2	$10,297	$19,577	53%	$12,160	$21,310	57%
3	$16,533	$30,079	55%	$15,534	$30,181	51%
4	$21,644	$69,539	31%	$20,155	$71,477	28%
	MANITOBA			SASKATCHEWAN		
1	$5,822	$20,903	28%	$8,542	$20,699	41%
2	$8,814	$20,903	42%	$9,348	$20,699	45%
3	$14,262	$29,468	48%	$15,709	$26,307	60%
4	$21,096	$70,049	30%	$21,633	$72,700	30%
	ALBERTA			BRITISH COLUMBIA		
1	$5,454	$26,001	21%	$6,460	$21,310	30%
2	$8,509	$26,001	33%	$10,665	$21,310	50%
2-b	$12,543	$26,001	48%			
3	$14,108	$34,668	41%	$14,928	$29,060	51%
4	$21,837	$83,916	26%	$19,212	$66,684	29%

* 1= Single Employable / 2= Person with a Disability / 2-b= Person with a Disability/AISH / 3= Lone Parent, One Child / 4= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

Table 2.7-a: 2006 WELFARE INCOMES AS A PERCENTAGE OF AFTER-TAX MEDIAN INCOME

*	Welfare Income 2006	Estimated After-Tax Average Income 2006	Welfare Income as % of Estimated After-Tax Average Income	Welfare Income 2006	Estimated After-Tax Average Income 2006	Welfare Income as % of Estimated After-Tax Average Income
	YUKON			NORTHWEST TERRITORIES		
1	$12,468	$26,001	**48%**	$13,619	$30,895	**44%**
2	$15,496	$26,001	**60%**	$17,281	$30,895	**56%**
3	$20,593	$33,648	**61%**	$23,411	$28,856	**81%**
4	$29,244	$84,222	**35%**	$31,942	$96,662	**33%**
	NUNAVUT					
1	$11,020	$28,142	**39%**			
2	$13,304	$28,142	**47%**			
3	$22,995	$19,883	**116%**			
4	$36,766	$60,261	**61%**			

Table 2.6-b: 2007 WELFARE INCOMES AS A PERCENTAGE OF BEFORE-TAX MEDIAN INCOME

*	Welfare Income 2007	Estimated Before-Tax Median Income 2007	Welfare Income as % of Estimated Before-Tax Median Income	Welfare Income 2007	Estimated Before-Tax Median Income 2007	Welfare Income as % of Estimated Before-Tax Median Income
	NEWFOUNDLAND AND LABRADOR			PRINCE EDWARD ISLAND		
1	$9,348	$19,731	**47%**	$6,577	$21,367	**31%**
2	$10,878	$19,731	**55%**	$8,623	$21,367	**40%**
3	$18,788	$28,830	**65%**	$15,781	$32,306	**49%**
4	$21,662	$91,397	**24%**	$22,906	$85,468	**27%**
	NOVA SCOTIA			NEW BRUNSWICK		
1	$6,247	$24,434	**26%**	$3,574	$21,060	**17%**
2	$9,088	$24,434	**37%**	$8,275	$21,060	**39%**
3	$14,725	$32,204	**46%**	$15,451	$28,626	**54%**
4	$20,464	$93,238	**22%**	$18,849	$88,126	**21%**

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Table 2.6-b: 2007 WELFARE INCOMES AS A PERCENTAGE OF BEFORE-TAX MEDIAN INCOME

*	Welfare Income 2007	Estimated Before-Tax Median Income 2007	Welfare Income as % of Estimated Before-Tax Median Income	Welfare Income 2007	Estimated Before-Tax Median Income 2007	Welfare Income as % of Estimated Before-Tax Median Income
	QUEBEC			ONTARIO		
1	$7,099	$21,674	33%	$7,204	$23,412	31%
2	$10,500	$21,674	48%	$12,382	$23,412	53%
3	$17,068	$34,862	49%	$16,439	$35,986	46%
4	$21,890	$87,206	25%	$21,058	$87,410	24%
	MANITOBA			SASKATCHEWAN		
1	$5,827	$24,230	24%	$9,105	$24,536	37%
2	$9,026	$24,230	37%	$9,772	$24,536	40%
3	$14,664	$34,044	43%	$16,545	$30,875	54%
4	$21,177	$88,944	24%	$22,544	$94,158	24%
	ALBERTA			BRITISH COLUMBIA		
1	$5,059	$32,408	16%	$7,365	$24,638	30%
2	$8,440	$32,408	26%	$11,125	$24,638	45%
2-b	$12,762	$32,408	39%			
3	$13,703	$43,041	32%	$16,230	$35,271	46%
4	$20,319	$111,231	18%	$20,283	$82,810	24%
	YUKON			NORTHWEST TERRITORIES		
1	$12,470	$30,057	41%	$14,888	$34,657	43%
2	$15,503	$30,057	52%	$18,942	$34,657	55%
3	$20,861	$39,053	53%	$20,425	$32,204	63%
4	$29,069	$106,119	27%	$31,560	$119,818	26%
	NUNAVUT					
1	$12,639	$31,999	39%			
2	$14,924	$31,999	47%			
3	$24,399	$21,776	112%			
4	$37,736	$73,711	51%			

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

Table 2.7-b: 2007 WELFARE INCOMES AS A PERCENTAGE OF AFTER-TAX MEDIAN INCOME

*	Welfare Income 2007	Estimated After-Tax Average Income 2007	Welfare Income as % of Estimated After-Tax Average Income	Welfare Income 2007	Estimated After-Tax Average Income 2007	Welfare Income as % of Estimated After-Tax Average Income
	NEWFOUNDLAND AND LABRADOR			PRINCE EDWARD ISLAND		
1	$9,348	$18,709	50%	$6,577	$19,833	33%
2	$10,878	$18,709	58%	$8,623	$19,833	43%
3	$18,788	$27,297	69%	$15,781	$30,057	53%
4	$21,662	$74,733	29%	$22,906	$71,564	32%
	NOVA SCOTIA			NEW BRUNSWICK		
1	$6,247	$22,083	28%	$3,574	$19,731	18%
2	$9,088	$22,083	41%	$8,275	$19,731	42%
3	$14,725	$29,955	49%	$15,451	$27,501	56%
4	$20,464	$76,164	27%	$18,849	$72,586	26%
	QUEBEC			ONTARIO		
1	$7,099	$20,345	35%	$7,204	$21,674	33%
2	$10,500	$20,345	52%	$12,382	$21,674	57%
3	$17,068	$32,306	53%	$16,439	$33,226	49%
4	$21,890	$71,973	30%	$21,058	$74,222	28%
	MANITOBA			SASKATCHEWAN		
1	$5,827	$21,980	27%	$9,105	$22,185	41%
2	$9,026	$21,980	41%	$9,772	$22,185	44%
3	$14,664	$31,590	46%	$16,545	$29,341	56%
4	$21,177	$73,711	29%	$22,544	$78,209	29%
	ALBERTA			BRITISH COLUMBIA		
1	$5,059	$28,830	18%	$7,365	$22,696	32%
2	$8,440	$28,830	29%	$11,125	$22,696	49%
2-b	$12,762	$28,830	44%			
3	$13,703	$39,565	35%	$16,230	$33,022	49%
4	$20,319	$92,113	22%	$20,283	$71,462	28%

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

Beginning with 2006, both the most basic disability benefit under the Alberta Works program and the Assured Income for the Severely Handicapped (AISH) program are featured in our reports. Most single people with severe and permanent disabilities receive assistance under the AISH program.

Table 2.7-b: 2007 WELFARE INCOMES AS A PERCENTAGE OF AFTER-TAX MEDIAN INCOME

*	Welfare Income 2007	Estimated After-Tax Average Income 2007	Welfare Income as % of Estimated After-Tax Average Income	Welfare Income 2007	Estimated After-Tax Average Income 2007	Welfare Income as % of Estimated After-Tax Average Income
	YUKON			NORTHWEST TERRITORIES		
1	$12,470	$27,501	**45%**	$14,888	$31,488	47%
2	$15,503	$27,501	**56%**	$18,942	$31,488	60%
3	$20,861	$36,293	**57%**	$20,425	$31,079	66%
4	$29,069	$89,148	**33%**	$31,560	$100,598	31%
	NUNAVUT					
1	$12,639	$29,137	**43%**			
2	$14,924	$29,137	**51%**			
3	$24,399	$21,469	**114%**			
4	$37,736	$65,430	**58%**			

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

NO welfare incomes were REMOTELY CLOSE to:

- **before-tax poverty lines;**
- **average incomes**; or
- **median incomes**.

However, AFTER-TAX MEASURES allowed us to see A FEW CASES with IMPROVING RESULTS, except for the SINGLE EMPLOYABLE PERSON, where all scenarios showed dramatically low ratios.

Results for 2006 showed some improvements that turned out to be short-term. The positive trend disappeared for most cases in 2007 due to the fact that some 2006 payments targeted towards families with children, either federal or provincial (federal energy cost benefit, Alberta Resource Rebate), were not renewable in following years.

Two provinces were **consistently at the bottom** of the **3 measures**:

- **New Brunswick** for the **single person**;
- **Alberta**, for the **person with a disability** under the **Support for Independence Program** and
- **Alberta** for the **lone parent with one child**.

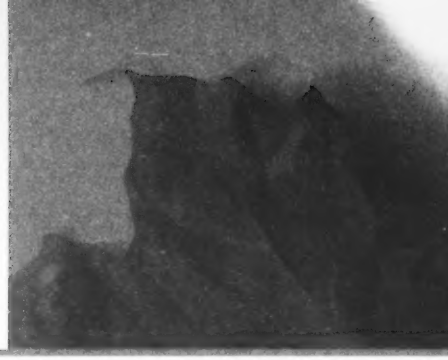
(Note that a single person with a disability under the Assured Income for the Severely Handicapped (AISH) program in Alberta appears at the highest for 2 measures.)

Welfare income was at the **lowest** for **2 measures** for:

- a **lone parent** in **Alberta**; and
- a **couple** in **British Columbia**.

By contrast, **2 provinces** were the **highest** for **3 measures or more**:

- **Newfoundland and Labrador** for the **single person** and **lone parent with one child**, and
- **Prince Edward Island** for the **couple with two children**.



CHAPTER 3

WELFARE INCOMES OVER TIME

This chapter looks at total welfare incomes over time—both welfare and other benefits provided by provincial and territorial governments combined with federal benefits such as the Canada Child Tax Benefit (CCTB) and the Goods and Services Tax (GST) credit.

Earlier editions of Welfare Incomes looked mainly at provincial and territorial welfare and related benefits over time, because these were the benefits that were most likely to undergo major changes. The social policy landscape began changing in 1998, however, because of the new system of federal child benefits and the clawback of the National Child Benefit Supplement by most provinces and territories. And in 2006, another change took place. The Universal Child Care Benefit (UCCB) was introduced, while the CCTB's young child supplement was abolished.

The National Council of Welfare now tracks welfare income from all sources over time as a much more informative approach than looking at provincial and territorial benefits alone.

Table 3.1 shows total welfare incomes over time. It looks at welfare incomes between 1986 and 2007 for the single employable person, the lone parent with one child and the two-parent family with two children. The National Council of Welfare did not include the single person with a disability in its original calculations of welfare incomes for 1986, so the comparison for this group is available from 1989 to 2006. We first estimated welfare incomes in the Northwest Territories in 1993. The data for Nunavut started in 1999, with the creation of the new territory.

Total welfare income, as in the previous chapter, includes:

- **basic social assistance** and **additional welfare benefits**;
- **provincial and territorial child benefits**;
- **provincial and territorial tax credits**;
- **federal child benefits**;
- the **GST credit**;
- **provincial and territorial resource rebates**; and
- the **federal energy cost benefit** (in 2006 only).

All the incomes in the tables and the graphs that follow are **EXPRESSED IN CONSTANT 2007 DOLLARS** to factor out the influence of inflation over the years.

Table 3.2 looks at the percentage change in welfare incomes between 2005 and 2006, and 2006 and 2007. It also looks longer term at change between 1997 (the last full year under the old system of federal child benefits) and 2007, and 1989 (the first year the NCW calculated incomes for all four family types) and 2007.

Table 3.3 determines when welfare incomes were at their peak and compares them to 2007. Finally, table 3.4 determines when welfare incomes were at their lowest and compares them to 2007.

THE SHORT TERM: 2005 TO 2006 AND 2006 TO 2007

Many welfare incomes continued to decline IN 2006, making life more difficult for the nearly 1.7[1] million children, women and men who relied on welfare.

About $^1/_3$ of all welfare incomes continued to decline in 2006—mainly single people.

About $^2/_3$ saw an increase of welfare incomes in 2006. In many cases, however, improvements were a one time event since they were often due to federal and provincial benefit payments covering energy costs for 2006 only. In a few cases, improvements were due to increases in social assistance rates, either in 2006 or in the last months of 2005.

Between 2005 and 2006, total welfare incomes decreased in 17 of our 52 scenarios. All decreases recorded in the provinces were welfare incomes for scenarios of single persons without a child. Decreases recorded in the territories were incomes for scenarios of single persons without a child and for couples.

In 2007, welfare incomes declined in 22 of our 53 cases (41%) and represented a deterioration of 8 percentage points from 2006.

As we saw in CHAPTER 2, ONLY 11 OF THE 41 SCENARIOS studied in all jurisdictions REACHED 80% or more of the MARKET BASKET MEASURE (MBM) in 2006.

In 2007, ONLY 9 SCENARIOS reached this level.

Because welfare rates are not adjusted automatically for increases in the Consumer Price Index (CPI)—a technique known as inaexing—welfare recipients typically lose ground to the cost of living year after year.

A few exceptions exist:

- Quebec has full indexing for some recipients and partial indexing for others.
- In Newfoundland and Labrador, effective April 1, 2007, the basic income support rate was increased by 1.8%, tied to the CPI. Indexing basic income support is planned for the next 6 years in this province.

[1] Excludes an estimated 150,000 First Nations people on reserve who receive welfare.

Between 2005 and 2006, the COST OF LIVING rose by 2%.

Many welfare rates remained the same both years, so the PURCHASING POWER of WELFARE BENEFITS ACTUALLY DECLINED by 2%.

Between 2006 and 2007, the cost of living rose by about the same, 2.2%.

On the federal side, both child benefits and the GST credit have been indexed since 2000. The CCTB was further enhanced in 2003, and benefits since that time have been increasing much faster than the cost of living. The UCCB was not indexed in 2007.

The increase in federal child benefits helped to take the sting out of low welfare rates in some provinces, but it was not enough to increase the overall purchasing power of welfare families with children between 2005 and 2007. The Alberta 2005 Resource Rebate of $400 per person, tax-free and not subject to claw-back as well as the federal Energy Cost Benefit of $250 per families with children were real improvement for many families, but they were one-time payment only.

Some provinces and territories made improvements in their welfare and related benefits, but MOST OF THE CHANGES were TOO SMALL to have much of an IMPACT.

The MOST NOTABLE INCREASES took place in NEWFOUNDLAND AND LABRADOR.

2006 IMPROVEMENTS MADE BY PROVINCES AND TERRITORIES

These include:

- In Newfoundland and Labrador, Family Benefit rates for single persons and childless couples were increased by 1% in January and by a further 5% in July. The Family Benefit rate for a single parent and a couple with children was increased by 5% in July 2006. The Newfoundland and Labrador Child Benefit rates were increased in July, and the Fuel Supplement was increased in December for all households.

- In Prince Edward Island, the Healthy Child Allowance was increased in August.

- In Nova Scotia, the personal allowance component of welfare was increased for all clients in October. The shelter allowance for a single employable person increased by $15 per month in October and the shelter allowance for a single parent with one child and a couple with two children increased by $20 per month in October.
- In New Brunswick, welfare rates increased by 2% in October.
- In Quebec, welfare rates were increased in January for all clients. The Child Assistance measure increased in January 2006. A lone parent with one child could receive a maximum of $2,766 per year, and a couple with two children could receive up to $3,073 per year.
- In Ontario, Ontario Works rates increased by 2% in December 2006 and the Ontario Disability Support Program (ODSP) rates increased by 2% in November 2006.
- In Saskatchewan, the basic allowance for a person with a disability and the general living allowance for a single employable person, a single parent and a couple with children increased in May. The average utilities rate paid for a single person with a disability slightly increased. The utilities rates for power and energy under the Transitional Employment Allowance increased in May 2006.
- In Alberta, the maximum benefit for a person under the Assured Income for the Severely Handicapped (AISH) program increased in April.

2007 IMPROVEMENTS MADE BY PROVINCES AND TERRITORIES

These include:

- In Newfoundland and Labrador, the basic income support rate was increased by 1.8%, in April 2007, being tied to the provincial consumer price index (CPI).
- In Prince Edward Island, the Healthy Child Allowance was increased in July 2007.
- In Nova Scotia, personal allowances were increased in October 2007.
- In New Brunswick, the monthly Fuel Supplement for households heating with electricity was increased in November 2007.
- In Quebec, social assistance rates and social solidarity rates were higher in January 2007 than previous Employment Assistance rates for our households.
- In Ontario, both the Winter Clothing Allowance for children and the annual Back-to-School Allowance were increased in 2007. ODSP basic needs and maximum shelter rates were increased in November 2007. The government of Ontario announced the introduction of the Ontario Child Benefit (OCB) as a

non-taxable amount paid to qualified families with children under 18 years of age. Low-income families received a one-time payment in July 2007.

- In Alberta, the maximum AISH benefit was increased in April 2007.
- In British Columbia, a rate increase has taken effect in April 2007.
- In Northwest Territories, the maximum food and shelter allowances were increased in September 2007.

THE LONGER VIEW: 1986 TO 2007[1]

In 2006 and 2007, WELFARE INCOMES were at their LOWEST POINT since 1986 in 9 and 8 scenarios respectively, down from 20 scenarios in 2005.

For some, cumulative increases begin to clearly change the longer view. However, for others, there is sill no sign of a strong trend. In six scenarios, 2007 welfare incomes were higher than 2005 welfare incomes by less than $400.

For too many scenarios, the lack of indexing of welfare benefits and the NCBS clawback have still been the order of the day.

Between 2000 and 2007, welfare incomes were at their LOWEST LEVELS in 35 of our 52 scenarios.

Further, 5 provinces recorded their LOWEST LEVELS of WELFARE INCOMES for ALL 4 HOUSEHOLD TYPES during this 7-year period:

- Ontario;
- Manitoba;
- Saskatchewan;
- Alberta; and
- British Columbia.

Table 3.2 shows that between 1989 and 2007, welfare incomes for both single employable persons and a single person with a disability decreased in all provinces except:

- Quebec and Yukon for both scenarios; and
- Newfoundland and Labrador and Saskatchewan for the single employable.

[1] The scenario of a person with a disability under the AISH program in Alberta will be only partially considered in this section, since we began to report data in 2006.

The decreases for single employable persons were particularly harsh, with some welfare incomes dropping by over one third. Lone parents and couples also saw their incomes decline in all provinces except Newfoundland and Labrador, New Brunswick and Quebec, as well as in the Yukon for the lone parent. During this same period, the cost of living increased by about 49%.

Changes that occurred between 1997 and 2007 are discussed in the next chapter, Welfare Incomes and Child Benefits.

Tables 3.3 and 3.4 further illustrate the extent of the decline in welfare incomes in recent years. For each of the four household types in each jurisdiction, Table 3.3 identifies the year in which welfare incomes were at their peak and the amount of benefits received during that year.

The table then shows the comparable income received in 2007 and the losses since the peak year in both dollar and percentage terms. In 8 cases, 2007 was the peak year.

Table 3.4 identifies the year in which welfare incomes were at their lowest level and the amount of benefits received during that year for each of the household types in each jurisdiction, as in Table 3.3. Then, it shows the comparable income received in 2007 and the gains since the lowest year in both dollar and percentage terms. In 9 cases, 2007 was the lowest year.

Tables 3.3 and 3.4 show some very discouraging realities for people living on welfare incomes. The first is that the vast majority of welfare incomes peaked many years ago. At the provincial level, 30 of the 40 households in the table had peak years in 1994 or earlier. The majority of welfare incomes, when adjusted for inflation, peaked in 1994 or earlier.

The second result concerns the amount of the decrease in total welfare incomes. When the peak year welfare incomes were compared to 2007 welfare incomes, some of the losses were staggering. The welfare income of a single person on welfare in Alberta dropped by over $5,241—nearly 51%—since 1986. The harshest losses in dollar terms were in Ontario between 1992 and 2007, when a lone parent's welfare income declined by almost $5,500 and a couple with two children saw a loss of almost $8,150. These losses both equalled or exceeded 25%.

Some very discouraging realities for people living on welfare incomes:

- The **VAST MAJORITY** of welfare incomes **PEAKED MANY YEARS AGO**;
- The **AMOUNT** of the **DECREASE IN TOTAL** welfare incomes is **SEVERE**.

In the provinces, 16 of the 40 households experienced losses of $2,500 or more, and 10—or just over one quarter—had losses in excess of $3,000.

Table 3.4 also highlights that 24 households saw the percentage change from the lowest year to 2007 reaching more than 10%. Four households reached more than a 50% increase, but for 2 of them, the increase is mainly due to a change in the type of programs and rates reported for those years.

Most Canadians would find it extremely difficult to cope with the substantial income losses that welfare households have experienced. Coping is even harder for those who are at the bottom of the income scale, given their already meagre incomes.

TABLE 3.1: TOTAL WELFARE INCOMES OVER TIME IN 2007 CONSTANT DOLLARS ($)

*	1986	1989	1990	1991	1992	1993	1994	1995	1996	1997
NEWFOUNDLAND AND LABRADOR										
1	5,758	5,660	5,734	5,819	5,962	5,895	5,887	5,763	3,385	1,612
2		11,296	11,297	11,152	11,277	11,134	11,118	10,883	11,091	11,524
3	16,242	15,921	16,164	16,634	17,112	16,928	16,903	16,542	16,658	17,046
4	20,311	19,520	19,723	19,617	19,551	19,325	19,299	18,891	18,970	19,472
PRINCE EDWARD ISLAND										
1	10,694	10,455	10,521	10,700	10,733	10,663	9,612	7,458	6,830	6,801
2		12,150	12,150	12,177	12,211	12,115	11,972	11,523	10,636	10,429
3	16,548	16,046	16,258	16,629	16,745	16,650	16,374	15,645	14,984	14,407
4	25,215	24,411	24,650	25,190	25,103	24,911	24,499	23,574	21,955	21,951
NOVA SCOTIA										
1	7,860	8,872	8,576	8,335	8,089	7,952	7,940	7,772	7,670	5,706
2		11,645	11,691	11,718	11,455	11,259	11,425	11,217	11,038	10,864
3	15,418	15,805	15,970	16,114	16,004	15,746	15,932	15,627	15,379	15,136
4	19,997	21,002	20,448	20,296	19,966	19,698	19,671	19,256	20,362	20,522
NEW BRUNSWICK										
1	3,874	4,297	4,340	4,423	4,299	4,244	4,271	4,196	4,174	4,152
2		11,090	11,034	10,907	10,803	10,739	8,489	8,455	8,393	8,463
3	13,442	13,145	13,221	13,258	13,212	13,231	13,684	14,201	14,107	14,223
4	16,199	15,456	15,485	15,791	15,834	15,839	16,293	16,882	16,740	17,034
QUEBEC										
1	4,078	5,345	7,647	8,103	8,209	8,233	8,065	7,895	7,768	7,534
2		9,526	9,986	10,442	10,637	10,642	10,814	10,592	10,655	10,633
3	15,464	14,299	15,401	14,543	16,132	16,712	17,038	16,689	16,239	15,626
4	21,635	19,692	19,575	20,475	20,696	21,184	20,951	20,509	20,029	19,129
ONTARIO										
1	8,715	9,477	10,443	10,890	11,140	11,115	11,128	10,349	8,532	8,427
2		13,637	14,665	15,201	15,357	15,284	15,296	14,975	14,735	14,502
3	17,414	18,597	20,902	21,687	21,931	21,886	21,901	20,430	17,137	16,892
4	23,040	24,384	28,005	28,927	29,207	29,113	28,894	26,833	22,650	22,330

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 3.1: TOTAL WELFARE INCOMES OVER TIME IN 2007 CONSTANT DOLLARS ($)

*	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
NEWFOUNDLAND AND LABRADOR										
1	1,617	1,610	2,149	3,735	9,057	8,827	8,676	8,546	9,105	9,348
2	11,470	11,365	11,190	10,997	10,785	10,497	10,306	10,141	10,669	10,878
3	17,357	17,610	17,541	17,559	17,435	17,131	16,998	16,867	18,249	18,788
4	19,992	20,474	20,483	20,756	20,761	20,500	20,448	20,408	21,494	21,662
PRINCE EDWARD ISLAND										
1	6,739	6,623	6,781	6,665	6,654	6,678	6,612	6,478	6,510	6,577
2	10,326	10,138	10,202	10,001	9,987	8,732	8,627	8,427	8,493	8,623
3	14,267	14,015	14,315	14,285	14,471	14,464	14,424	14,288	15,300	15,781
4	21,749	21,375	22,125	22,116	22,388	22,301	22,270	22,113	22,790	22,906
NOVA SCOTIA										
1	5,654	5,492	5,350	5,492	5,788	5,636	5,551	5,652	6,139	6,247
2	10,764	10,579	10,302	9,476	9,836	9,572	9,416	9,274	9,183	9,088
3	15,149	15,081	14,846	13,966	13,792	13,579	13,509	13,465	14,355	14,725
4	20,588	19,975	20,238	21,094	20,088	19,838	19,803	19,839	20,445	20,464
NEW BRUNSWICK										
1	4,114	4,043	3,940	3,846	3,767	3,670	3,608	3,572	3,565	3,574
2	8,428	8,286	8,362	8,443	8,543	8,591	8,440	8,334	8,292	8,275
3	14,568	14,793	14,700	14,693	14,591	14,357	14,259	14,235	15,116	15,451
4	17,699	18,218	18,270	18,475	18,491	18,284	18,253	18,312	18,886	18,849
QUEBEC										
1	7,428	7,473	7,345	7,313	7,420	7,333	7,337	7,242	7,187	7,099
2	10,729	10,750	10,626	10,619	10,660	10,540	10,549	10,484	10,527	10,500
3	15,614	15,560	15,141	15,182	15,389	15,267	15,312	16,048	16,902	17,068
4	19,318	19,238	19,040	19,288	19,673	19,599	19,754	21,582	22,127	21,890
ONTARIO										
1	8,336	8,193	7,980	7,786	7,620	7,419	7,427	7,304	7,213	7,204
2	14,369	14,122	13,751	13,410	13,117	12,765	12,766	12,568	12,431	12,382
3	16,732	16,448	16,085	15,764	15,468	15,101	15,178	15,064	15,881	16,439
4	22,114	21,746	21,295	20,897	20,518	20,042	20,080	20,121	20,605	21,058

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 3.1: TOTAL WELFARE INCOMES OVER TIME IN 2007 CONSTANT DOLLARS ($)

*	1986	1989	1990	1991	1992	1993	1994	1995	1996	1997
MANITOBA										
1	8,647	9,079	9,301	9,362	9,419	9,271	8,649	8,478	7,855	6,846
2		9,863	9,842	9,852	11,901	10,763	10,703	10,477	10,309	10,146
3	15,165	14,874	14,971	15,044	16,293	14,841	14,748	14,430	14,199	13,974
4	23,852	25,487	26,264	26,691	27,011	24,905	25,280	24,734	22,456	20,965
SASKATCHEWAN										
1	7,238	7,351	7,293	7,252	7,387	7,764	7,753	6,967	7,467	6,747
2		11,913	11,658	11,412	11,199	11,096	11,078	10,844	10,971	9,835
3	16,658	16,579	16,426	16,204	15,933	15,763	15,734	15,398	15,151	14,911
4	24,447	23,695	23,336	22,982	22,953	22,658	22,700	22,224	21,867	20,458
ALBERTA										
1	10,300	7,266	7,041	7,810	7,739	7,310	6,410	6,275	6,174	6,111
2		8,961	8,658	9,277	9,097	8,842	8,808	8,646	8,507	8,408
3	16,753	15,082	14,730	15,668	15,522	14,983	14,065	13,754	13,524	13,404
4	26,193	23,067	22,391	24,741	24,419	23,623	22,396	22,117	21,762	21,505
BRITISH COLUMBIA										
1	7,357	8,180	8,465	8,124	8,626	8,654	8,865	8,707	7,934	7,808
2		11,248	11,746	11,676	12,060	12,146	12,430	12,213	12,019	11,830
3	15,056	16,365	16,787	16,810	17,351	17,396	17,773	17,446	17,167	16,834
4	21,709	21,378	21,740	21,736	22,563	22,648	23,230	22,804	22,437	21,960
YUKON										
1	8,742	10,662	10,900	10,912	10,769	10,586	10,568	10,345	10,179	13,779
2		11,915	12,101	12,062	11,906	11,702	11,682	12,277	12,087	15,666
3	17,506	19,228	19,609	19,784	19,669	19,345	19,317	18,909	18,606	22,447
4	27,667	29,179	29,194	29,684	29,697	29,204	29,159	28,543	28,085	32,513
NORTHWEST TERRITORIES										
1						15,120	15,091	14,773	14,442	9,540
2						17,082	17,053	16,693	16,707	12,140
3						27,235	27,190	26,616	26,076	23,052
4						33,004	32,998	32,301	31,632	30,866

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 3.1: TOTAL WELFARE INCOMES OVER TIME IN 2007 CONSTANT DOLLARS ($)

*	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
MANITOBA										
1	6,783	6,666	6,494	6,336	6,202	6,040	6,169	6,065	5,952	5,827
2	10,052	9,963	9,762	9,521	9,315	9,065	9,134	8,966	9,011	9,026
3	13,845	13,603	13,581	14,057	14,272	14,047	13,955	13,845	14,581	14,664
4	20,558	20,205	20,046	20,207	20,187	20,514	21,260	21,221	21,567	21,177
SASKATCHEWAN										
1	6,705	6,892	6,890	6,879	6,775	6,740	6,655	6,946	8,733	9,105
2	9,827	10,070	9,993	9,962	9,761	9,668	9,638	9,270	9,557	9,772
3	13,807	14,263	14,281	14,275	14,033	13,658	13,538	13,796	16,060	16,545
4	20,394	21,124	20,998	21,061	20,735	20,351	20,297	20,147	22,116	22,544
ALBERTA										
1	6,138	6,032	5,876	5,734	5,614	5,467	5,372	5,264	5,575	5,059
2	8,414	8,479	8,871	8,659	8,477	8,401	8,356	8,184	8,699	8,440
3	13,549	13,661	13,477	13,246	12,973	12,909	12,941	12,849	14,423	13,703
4	21,647	21,519	21,358	20,970	20,532	20,375	20,412	20,324	22,325	20,319
BRITISH COLUMBIA										
1	7,735	7,602	7,463	7,361	7,205	6,993	6,869	6,730	6,604	7,365
2	11,721	11,520	11,308	11,152	10,911	10,646	10,452	11,108	10,903	11,125
3	16,679	16,405	16,162	16,040	15,284	14,836	14,674	14,540	15,262	16,230
4	21,757	21,412	21,104	20,990	20,325	19,624	19,445	19,249	19,641	20,283
YUKON										
1	13,626	13,417	13,137	14,065	13,882	13,522	13,275	12,996	12,747	12,470
2	15,522	15,255	14,910	15,799	15,573	15,161	14,890	15,365	15,842	15,503
3	22,240	22,218	21,691	22,476	22,110	21,560	21,293	20,671	21,053	20,861
4	32,213	31,659	30,951	31,600	31,351	30,612	30,372	30,168	29,897	29,069
NORTHWEST TERRITORIES										
1	9,429	10,469	10,207	10,231	13,087	13,880	13,721	14,187	13,923	14,888
2	12,075	13,090	12,759	12,970	16,862	17,825	17,566	18,008	17,667	18,942
3	23,176	24,681	24,089	23,701	24,023	23,488	23,172	23,609	23,934	20,425
4	31,224	33,157	32,388	31,806	32,283	31,690	31,516	32,975	32,656	31,560

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 3.1: TOTAL WELFARE INCOMES OVER TIME IN 2007 CONSTANT DOLLARS ($)

*	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
NUNAVUT										
1		12,492	12,200	11,931	11,626	11,421	11,408	11,436	11,609	12,639
2		15,070	14,702	14,366	14,058	13,898	13,840	13,817	13,945	14,924
3		33,796	32,963	32,212	31,553	23,155	23,041	23,094	23,852	24,399
4		41,124	40,144	39,269	38,197	37,714	37,676	37,866	37,930	37,736

TABLE 3.2: PERCENTAGE CHANGE IN WELFARE INCOMES IN 2007 CONSTANT DOLLARS, SELECTED YEARS

	2005-2006		2006-2007		1997-2007		1989-2007	
*	($)	% Change	($)	% Change	($)	% Change	($)	% Change
NEWFOUNDLAND AND LABRADOR								
1	$559	**6.5%**	$242	**2.7%**	$7,736	**479.9%**	$3,688	**65.2%**
2	$529	**5.2%**	$208	**2.0%**	-$646	**-5.6%**	-$418	**-3.7%**
3	$1,381	**8.2%**	$540	**3.0%**	$1,742	**10.2%**	$2,867	**18.0%**
4	$1,086	**5.3%**	$168	**0.8%**	$2,190	**11.2%**	$2,142	**11.0%**
PRINCE EDWARD ISLAND								
1	$32	**0.5%**	$67	**1.0%**	-$225	**-3.3%**	-$3,878	**-37.1%**
2	$66	**0.8%**	$130	**1.5%**	-$1,806	**-17.3%**	-$3,527	**-29.0%**
3	$1,012	**7.1%**	$481	**3.1%**	$1,374	**9.5%**	-$265	**-1.7%**
4	$677	**3.1%**	$116	**0.5%**	$955	**4.4%**	-$1,505	**-6.2%**
NOVA SCOTIA								
1	$487	**8.6%**	$108	**1.8%**	$540	**9.5%**	-$2,625	**-29.6%**
2	-$91	**-1.0%**	-$96	**-1.0%**	-$1,776	**-16.4%**	-$2,557	**-22.0%**
3	$890	**6.6%**	$370	**2.6%**	-$411	**-2.7%**	-$1,080	**-6.8%**
4	$606	**3.1%**	$18	**0.1%**	-$58	**-0.3%**	-$539	**-2.6%**
NEW BRUNSWICK								
1	-$7	**-0.2%**	$8	**0.2%**	-$579	**-13.9%**	-$724	**-16.8%**
2	-$42	**-0.5%**	-$17	**-0.2%**	-$188	**-2.2%**	-$2,815	**-25.4%**
3	$881	**6.2%**	$335	**2.2%**	$1,228	**8.6%**	$2,306	**17.5%**
4	$574	**3.1%**	-$38	**-0.2%**	$1,815	**10.7%**	$3,393	**22.0%**

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 3.2: % CHANGE IN WELFARE INCOMES IN 2007 CONSTANT $, SELECTED YEARS								
	2005-2006		2006-2007		1997-2007		1989-2007	
*	($)	% Change	($)	% Change	($)	% Change	($)	% Change
QUEBEC								
1	-$55	**-0.8%**	-$87	**-1.2%**	-$435	**-5.8%**	$1,754	**32.8%**
2	$43	**0.4%**	-$28	**-0.3%**	-$133	**-1.2%**	$974	**10.2%**
3	$854	**5.3%**	$166	**1.0%**	$1,442	**9.2%**	$2,769	**19.4%**
4	$545	**2.5%**	-$238	**-1.1%**	$2,760	**14.4%**	$2,198	**11.2%**
ONTARIO								
1	$91	**-1.2%**	$10	**-0.1%**	-$1,223	**-14.5%**	-$2,273	**-24.0%**
2	-$137	**-1.1%**	-$49	**-0.4%**	-$2,120	**-14.6%**	-$1,255	**-9.2%**
3	$817	**5.4%**	$559	**3.5%**	-$452	**-2.7%**	-$2,158	**-11.6%**
4	$485	**2.4%**	$452	**2.2%**	-$1,272	**-5.7%**	-$3,326	**-13.6%**
MANITOBA								
1	-$113	**-1.9%**	-$125	**-2.1%**	-$1,019	**-14.9%**	-$3,252	**-35.8%**
2	$45	**0.5%**	$15	**0.2%**	-$1,120	**-11.0%**	-$837	**-8.5%**
3	$736	**5.3%**	$83	**0.6%**	$690	**4.9%**	-$210	**-1.4%**
4	$346	**1.6%**	-$390	**-1.8%**	$211	**1.0%**	-$4,311	**-16.9%**
SASKATCHEWAN								
1	$1,787	**25.7%**	$373	**4.3%**	$2,358	**35.0%**	$1,755	**23.9%**
2	$286	**3.1%**	$216	**2.3%**	-$62	**-0.6%**	-$2,141	**-18.0%**
3	$2,264	**16.4%**	$485	**3.0%**	$1,633	**11.0%**	-$34	**-0.2%**
4	$1,969	**9.8%**	$427	**1.9%**	$2,086	**10.2%**	-$1,152	**-4.9%**
ALBERTA								
1	$311	**5.9%**	-$517	**-9.3%**	-$1,052	**-17.2%**	-$2,207	**-30.4%**
2	$515	**6.3%**	-$259	**-3.0%**	$32	**0.4%**	-$521	**-5.8%**
2-b			-$62	**-0.5%**				
3	$1,574	**12.2%**	-$719	**-5.0%**	$299	**2.2%**	-$1,378	**-9.1%**
4	$2,001	**9.8%**	-$2,006	**-9.0%**	-$1,186	**-5.5%**	-$2,749	**-11.9%**
BRITISH COLUMBIA								
1	-$126	**-1.9%**	$761	**11.5%**	-$444	**-5.7%**	-$815	**-10.0%**
2	-$205	**-1.8%**	$222	**2.0%**	-$705	**-6.0%**	-$123	**-1.1%**
3	$722	**5.0%**	$968	**6.3%**	-$604	**-3.6%**	-$135	**-0.8%**
4	$392	**2.0%**	$642	**3.3%**	-$1,677	**-7.6%**	-$1,096	**-5.1%**

* 1= Single Employable / 2= Person with a Disability / 2-b= Person with a Disability/AISH / 3= Lone Parent, One Child / 4= Couple, Two Children

TABLE 3.2: % CHANGE IN WELFARE INCOMES IN 2007 CONSTANT $, SELECTED YEARS

	2005-2006		2006-2007		1997-2007		1989-2007	
*	($)	% Change	($)	% Change	($)	% Change	($)	% Change
	YUKON							
1	-$249	-1.9%	-$277	-2.2%	-$1,309	-9.5%	$1,808	17.0%
2	$476	3.1%	-$339	-2.1%	-$163	-1.0%	$3,588	30.1%
3	$382	1.8%	-$192	-0.9%	-$1,585	-7.1%	$1,633	8.5%
4	-$270	-0.9%	-$828	-2.8%	-$3,444	-10.6%	-$110	-0.4%
	NORTHWEST TERRITORIES							
1	-$264	-1.9%	$965	6.9%	$5,348	56.1%		
2	-$341	-1.9%	$1,275	7.2%	$6,802	56.0%		
3	$325	1.4%	-$3,509	-14.7%	-$2,627	-11.4%		
4	-$319	-1.0%	-$1,096	-3.4%	$694	2.2%		
	NUNAVUT							
1	$173	1.5%	$1,030	8.9%				
2	$128	0.9%	$979	7.0%				
3	$758	3.3%	$547	2.3%				
4	$65	0.2%	-$194	-0.5%				

TABLE 3.3: PEAK YEAR AND 2007 WELFARE INCOMES

*	Peak Year	Peak Amount	2007 Amount	$ Change from Peak Year to 2007	% Change from Peak Year to 2007	Peak Year	Peak Amount	2007 Amount	$ Change from Peak Year to 2007	% Change from Peak Year to 2007
	NEWFOUNDLAND AND LABRADOR					PRINCE EDWARD ISLAND				
1	2007	$9,348	$9,348	$0	0.0%	1992	$10,733	$6,577	-$4,156	-38.7%
2	1997	$11,524	$10,878	-$646	-5.6%	1992	$12,211	$8,623	-$3,588	-29.4%
3	2007	$18,788	$18,788	$0	0.0%	1992	$16,745	$15,781	-$964	-5.8%
4	2007	$21,662	$21,662	$0	0.0%	1986	$25,215	$22,906	-$2,309	-9.2%
	NOVA SCOTIA					NEW BRUNSWICK				
1	1989	$8,872	$6,247	-$2,625	-29.6%	1991	$4,423	$3,574	-$849	-19.2%
2	1991	$11,718	$9,088	-$2,630	-22.4%	1989	$11,090	$8,275	-$2,815	-25.4%
3	1991	$16,114	$14,725	-$1,389	-8.6%	2007	$15,451	$15,451	$0	0.0%
4	2001	$21,094	$20,464	-$630	-3.0%	2006	$18,886	$18,849	-$38	-0.2%

* 1= Single Employable / 2= Person with a Disability / 3= Lone Parent, One Child / 4= Couple, Two Children

TABLE 3.3: PEAK YEAR AND 2007 WELFARE INCOMES

*	Peak Year	Peak Amount	2007 Amount	$ Change from Peak Year to 2007	% Change from Peak Year to 2007	Peak Year	Peak Amount	2007 Amount	$ Change from Peak Year to 2007	% Change from Peak Year to 2007
	QUEBEC					ONTARIO				
1	1993	$8,233	$7,099	-$1,134	**-13.8%**	1992	$11,140	$7,204	-$3,937	**-35.3%**
2	1994	$10,814	$10,500	-$314	**-2.9%**	1992	$15,357	$12,382	-$2,975	**-19.4%**
3	2007	$17,068	$17,068	$0	**0.0%**	1992	$21,931	$16,439	-$5,492	**-25.0%**
4	2006	$22,127	$21,890	-$238	**-1.1%**	1992	$29,207	$21,058	-$8,149	**-27.9%**
	MANITOBA					SASKATCHEWAN				
1	1992	$9,419	$5,827	-$3,593	**-38.1%**	2007	$9,105	$9,105	$0	**0.0%**
2	1992	$11,901	$9,026	-$2,875	**-24.2%**	1989	$11,913	$9,772	-$2,141	**-18.0%**
3	1992	$16,293	$14,664	-$1,629	**-10.0%**	1986	$16,658	$16,545	-$113	**-0.7%**
4	1992	$27,011	$21,177	-$5,835	**-21.6%**	1986	$24,447	$22,544	-$1,903	**-7.8%**
	ALBERTA					BRITISH COLUMBIA				
1	1986	$10,300	$5,059	-$5,241	**-50.9%**	1994	$8,865	$7,365	-$1,500	**-16.9%**
2	1991	$9,277	$8,440	-$837	**-9.0%**	1994	$12,430	$11,125	-$1,304	**-10.5%**
2-b	2006	$12,824	$12,762	-$62	**-0.5%**					
3	1986	$16,753	$13,703	-$3,050	**-18.2%**	1994	$17,773	$16,230	-$1,543	**-8.7%**
4	1986	$26,193	$20,319	-$5,875	**-22.4%**	1994	$23,230	$20,283	-$2,948	**-12.7%**
	YUKON					NORTHWEST TERRITORIES				
1	2001	$14,065	$12,470	-$1,595	**-11.3%**	1993	$15,120	$14,888	-$232	**-1.5%**
2	2006	$15,842	$15,503	-$339	**-2.1%**	2007	$18,942	$18,942	$0	**0.0%**
3	2001	$22,476	$20,861	-$1,615	**-7.2%**	1993	$27,235	$20,425	-$6,810	**-25.0%**
4	1997	$32,513	$29,069	-$3,444	**-10.6%**	1999	$33,157	$31,560	-$1,597	**-4.8%**
	NUNAVUT									
1	2007	$12,639	$12,639	$0	**0.0%**					
2	1999	$15,070	$14,924	-$146	**-1.0%**					
3	1999	$33,796	$24,399	-$9,397	**-27.8%**					
4	1999	$41,124	$37,736	-$3,388	**-8.2%**					

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 3.4: LOWEST YEAR AND 2007 WELFARE INCOMES

*	Lowest Year	Lowest Amount	2007 Amount	$ Change from Lowest Year to 2007	% Change from Lowest Year to 2007	Lowest Year	Lowest Amount	2007 Amount	$ Change from Lowest Year to 2007	% Change from Lowest Year to 2007
	NEWFOUNDLAND AND LABRADOR					PRINCE EDWARD ISLAND				
1	1999	$1,610	$9,348	$7,737	**480.4%**[1]	2005	$6,478	$6,577	$99	**1.5%**
2	2005	$10,141	$10,878	$737	**7.3%**	2005	$8,427	$8,623	$196	**2.3%**
3	1989	$15,921	$18,788	$2,867	**18.0%**	1999	$14,015	$15,781	$1,767	**12.6%**
4	1995	$18,891	$21,662	$2,771	**14.7%**	1999	$21,375	$22,906	$1,531	**7.2%**
	NOVA SCOTIA					NEW BRUNSWICK				
1	2000	$5,350	$6,247	$896	**16.8%**	2006	$3,565	$3,574	$8	**0.2%**
2	2007	$9,088	$9,088	$0	**0.0%**	2007	$8,275	$8,275	$0	**0.0%**
3	2005	$13,465	$14,725	$1,260	**9.4%**	1989	$13,145	$15,451	$2,306	**17.5%**
4	1995	$19,256	$20,464	$1,208	**6.3%**	1989	$15,456	$18,849	$3,393	**22.0%**
	QUEBEC					ONTARIO				
1	1986	$4,078	$7,099	$3,022	**74.1%**[2]	2007	$7,204	$7,204	$0	**0.0%**
2	1989	$9,526	$10,500	$974	**10.2%**	2007	$12,382	$12,382	$0	**0.0%**
3	1989	$14,299	$17,068	$2,769	**19.4%**	2005	$15,064	$16,439	$1,375	**9.1%**
4	2000	$19,040	$21,890	$2,849	**15.0%**	2003	$20,042	$21,058	$1,016	**5.1%**
	MANITOBA					SASKATCHEWAN				
1	2007	$5,827	$5,827	$0	**0.0%**	2004	$6,655	$9,105	$2,450	**36.8%**
2	2005	$8,966	$9,026	$60	**0.7%**	2005	$9,270	$9,772	$502	**5.4%**
3	2000	$13,581	$14,664	$1,083	**8.0%**	2004	$13,538	$16,545	$3,006	**22.2%**
4	2000	$20,046	$21,177	$1,130	**5.6%**	2005	$20,147	$22,544	$2,397	**11.9%**
	ALBERTA					BRITISH COLUMBIA				
1	2007	$5,059	$5,059	$0	**0.0%**	2006	$6,604	$7,365	$761	**11.5%**
2	2005	$8,184	$8,440	$256	**3.1%**	2004	$10,452	$11,125	$674	**6.4%**
2-b	2007	$12,762	$12,762	$0	**0.0%**					
3	2005	$12,849	$13,703	$855	**6.7%**	2005	$14,540	$16,230	$1,690	**11.6%**
4	2007	$20,319	$20,319	$0	**0.0%**	2005	$19,249	$20,283	$1,034	**5.4%**

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

[1] The 1999 rate was for Room and Board whereas the 2007 is for renting in the private market.

[2] The 1986 rate for a single employable in Quebec was for a person less than 30 years of age and the 2007 rate has no age condition.

TABLE 3.4: LOWEST YEAR AND 2007 WELFARE INCOMES

*	Lowest Year	Lowest Amount	2007 Amount	$ Change from Lowest Year to 2007	% Change from Lowest Year to 2007	Lowest Year	Lowest Amount	2007 Amount	$ Change from Lowest Year to 2007	% Change from Lowest Year to 2007
	YUKON					NORTHWEST TERRITORIES				
1	1986	$8,742	$12,470	$3,728	**42.6%**	1998	$9,429	$14,888	$5,459	**57.9%**
2	1994	$11,682	$15,503	$3,821	**32.7%**	1998	$12,075	$18,942	$6,867	**56.9%**
3	1986	$17,506	$20,861	$3,356	**19.2%**	2007	$20,425	$20,425	$0	**0.0%**
4	1986	$27,667	$29,069	$1,402	**5.1%**	2004	$31,516	$31,560	$694	**2.2%**
	NUNAVUT									
1	2004	$11,408	$12,639	$1,232	**10.8%**					
2	2005	$13,817	$14,924	$1,107	**8.0%**					
3	2004	$23,041	$24,399	$1,358	**5.9%**					
4	2004	$37,736	$37,736	$60	**0.2%**					

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

NCW

CHAPTER 4

WELFARE INCOMES AND CHILD BENEFITS

The CURRENT SYSTEM of fEDERAL AND PROVINCIAL CHILD BENEFIT PROGRAMS has become INCOMPREHENSIBLE to most people.

The current system of federal and provincial child benefit programs has become incomprehensible to most people. This, coupled with the interaction between child benefits and welfare programs, has made what was already a tangled safety net almost impossible to understand. Given this, it is very difficult for households to know whether they are receiving their correct benefits.

FEDERAL CHILD BENEFITS

CANADA CHILD TAX BENEFIT AND NATIONAL CHILD BENEFIT SUPPLEMENT

Under the system of **FEDERAL CHILD BENEFITS** that went into effect on July 1, 1998, the federal government pays the Canada Child Tax Benefit to **ALL LOW-INCOME FAMILIES** and **MANY MIDDLE INCOME FAMILIES** with **CHILDREN UNDER 18**.

For **MOST** low-income families, the entitlement is the sum of:

- the **CCTB Basic Benefit**; and
- the **National Child Benefit Supplement** (NCBS).

Since July 2006, the **CCTB supplement for children under 7** has been **replaced** by the taxable **UNIVERSAL CHILD CARE BENEFIT (UCCB)**, a monthly payment per eligible child under the age of 6.[1]

[1] Children who were six years old between July 2006 and June 2007 continued to receive the Canada Child Tax Benefit under seven supplement until the month of their seventh birthday or June 2007, whichever came first. Effective July 2007, the CCTB under 7 supplement ended.

The **MAXIMUM CCTB BASIC BENEFIT** went to families with net family incomes:

- **UNDER $36,378** (as of July 1, **2006**);
- **UNDER $37,178** (as of July 1, **2007**).

The benefit declines and eventually disappears as family income for a 1- or 2-child family rises.

The **UPPER LIMIT** was:

- **$99,128** in **2006**; and
- **$101,328** in **2007**.

The **MAXIMUM NCBS** went to families with net family incomes:

- **UNDER $20,435** in **2006**; and
- **UNDER $20,883** in **2007**.

PARTIAL SUPPLEMENTS went to families with net family incomes between:

- **$20,435 and $36,378** in **2006**; and
- **$20,883 and $37,178** in **2007**.

As of **July 1, 2006**, the **MONTHLY UCCB** is **$100 PER ELIGIBLE CHILD UNDER 6**. It did not increase in 2007.

When the National Child Benefit Supplement was introduced in 1998, one of its aims was to move towards a separate, national platform of income-tested child benefits. This would replace children's benefits paid through the welfare system and provide additional financial support to low-income families with a parent in the labour force. Under the terms of the NCB's operating principles, families on welfare would have their benefits reduced by the amount of the NCB Supplement—this is commonly known as the clawback of the NCBS. The money clawed back would be reinvested in programs and services for low-income families with children. Provinces and territories would stop clawing back the NCBS once it exceeded their basic welfare benefit for children. Low-income families with children not on welfare would get to keep the entire National Child Benefit Supplement.

The combination of additional financial benefits and services was intended to encourage families to enter and remain in the labour market. Families moving from welfare to the labour market face a number of obstacles, including the loss of financial support for their children, as well as in-kind supports such as dental, health and prescription drug coverage. These losses, combined with the costs of employment, often mean that families are financially worse off employed than they are on welfare.

The original clawback mechanisms varied from place to place. Most provinces and territories considered the NCBS as non-exempted income and deducted it dollar for dollar from the monthly welfare cheques they paid to families with children. Alberta, on the other hand, reduced its welfare rate by the amount of the NCBS. Another approach was to reduce the amount of provincial child benefits, where these programs existed, by the amount of the NCBS. However, both New Brunswick and Newfoundland and Labrador decided to pass on the full amount to welfare families in 1998. In all other jurisdictions, families on social assistance had the NCBS clawed back.

The original clawback mechanisms varied from place to place. The clawback has evolved since 1998.

Families with children receiving welfare are living in poverty and they've seen LITTLE OR NO BENEFIT FROM THE NCBS despite the substantial sums of new money provided by the federal government.

ENDING THE CLAWBACK means RAISING THE INCOMES OF FAMILIES ON WELFARE BY THE AMOUNT OF THE NCBS that has been deducted from their social assistance or child benefit payments.

The clawback has evolved since 1998. Some jurisdictions continue to claw back all or part of the NCBS from their welfare or child benefits. Some stopped clawing back when they reformed their welfare programs and implemented new child benefit programs. Some do not claw back but have not changed the basic structure of their welfare program. It is difficult for most people to understand what approach is being taken in their province or territory, let alone the rationale for it. But what is clear is that the system has become highly convoluted.

The federal government considers that the clawback has been nearly eliminated because the NCBS has replaced benefits for children in most jurisdictions. The National Council of Welfare has a different view of ending the clawback.

Ending the clawback means raising the incomes of families on welfare by the amount of the NCBS that has been deducted from their social assistance or child benefit payments.

Although the NCBS was lauded as a poverty reduction tool, its target was really low income working families with children. And it has shown some success in reducing poverty for these families.

> Results of the direct impact analysis of the NCB indicate that of the 52,900 working families with children who were prevented from living in a low-income situation in 2003 due to the NCB, disposable incomes were, on average, $2,600 higher than they would have been in the absence of the NCB initiative. This represents an increase of 9.7% in their disposable incomes. (*The National Child Benefit Progress Report 2005*, 2007, page 43)

However, there is a large group of families with children living in poverty—those on welfare—who have seen little or no benefit from the NCBS despite the substantial sums of new money provided by the federal government. *"...federal investment in the NCB Supplement has increased steadily and is projected to reach $3.5 billion in 2006-2007."* (*NCB Progress Report 2005*, page 7)

NO SPECIFIC EVIDENCE has been reported to conclude that the NCBS is ASSISTING WELFARE FAMILIES to MOVE TO PAID EMPLOYMENT or OBTAIN EMPLOYMENT EXPERIENCE.

Neither the 2005 *Evaluation of the National Child Benefit Initiative: Synthesis Report* nor the *National Child Benefit Progress Report: 2005* provided evidence that the initiative increased the labour force participation of those on welfare[1], nor was it able to determine the effectiveness of the various NCB reinvestment initiatives, due to a lack of data.

> However, the methodology used in this report cannot capture changes in the economic behaviour of low-income families with children, which may have been caused by the NCB. For example, on the one hand, the NCB may have encouraged low-income families to enter the workforce from social assistance. On the other hand, the NCB Supplement reduction rates may have had a negative impact on the number of hours worked by some workers. These dynamic effects are not captured by this methodology. (Assessing the Direct Impact of the National Child Benefit Initiative, Chapter 6, *National Child Benefit Progress Report: 2005*, 2007, page 40)

The clawback reinforces the notion of the deserving and undeserving poor. Those working for low pay—the deserving poor—get to keep all of the NCBS. Those on welfare—the undeserving poor—don't get to keep the NCBS.

Furthermore, since the MAJORITY of those on welfare who have the NCBS CLAWED BACK are FEMALE-HEADED, LONE-PARENT FAMILIES, the Supplement clawback has a DISCRIMINATING IMPACT on WOMEN and THEIR CHILDREN.

Government analysis estimates that the NCB overall has made a specific contribution to declining low income rates for lone parent families. For example, it estimates that in 2003, without the NCB the lone-parent poverty rate would have been 3.5 percentage points higher than the actual 31.5%. (NCB Progress Report 2005, page 41) Lone mothers on social assistance who have their Supplement clawed back, however, fill the ranks of the 31.5% still living in poverty. In contrast, the poverty rate for two-parent families with children was 6.4% in 2003, 1.2 percentage points lower than without the NCB. Most two-parent families escape social assistance and poverty by having two earners aided by the NCB. Lone parents do not have that option. Therefore, while the NCB makes a positive contribution to families with children, it will likely continue to have a limited impact on low-income lone parents families because it does not distinguish between the different situations of households with only one adult compared to households with two.

[1] Chapter 6 of the *National Child Benefit Progress Report: 2005* "... assesses the direct impact of the NCB initiative's income benefits component. A simulation approach is used to compare the actual NCB income benefits structure to a hypothetical scenario based on the benefits structure that existed prior to the NCB." (page 44)

CURRENT STATUS OF NATIONAL CHILD BENEFIT SUPPLEMENT

We consider that any jurisdiction that continues to reduce welfare or child benefits by the NCBS—either in part or in full—claws back. Here is where things stand on the NCBS clawback as of 2007.

Five provinces **DO NOT CLAW BACK**:

- Newfoundland and Labrador;
- Nova Scotia;
- New Brunswick;
- Quebec; and
- Manitoba.

Three provinces **CONTINUE TO CLAW BACK PART OF THE NCBS** from their welfare benefits:

- Prince Edward Island;
- Ontario; and
- Alberta.

In July 2001, PEI introduced its Healthy Child Allowance as a new benefit for welfare families. Although the NCBS is deducted in full from welfare benefits, the Healthy Child Allowance is increased each year by an amount equivalent to the NCBS increase, thereby flowing through increases. In Ontario, NCBS increases since July 2004 have been passed on. As of July 2007, the lone parent with one child and the couple with two children still had $121.91 and $226.41 respectively clawed back each month. Starting in July 2007, the Ontario Child Benefit program will provide a non-taxable, OCB payment of up to $250 for each dependent child under the age of 18. The maximum OCB payment will increase each payment year up to 2011-12, when the payment will reach $1,100 per child. It is understood that the clawback will be eliminated gradually over the next five years until the end of the restructuring of the income security system. This is expected to include the removal of children's benefits from welfare and the extension of those same benefits to all low-income families with children. The Ontario government also announced that it will cancel the Back-to-School Allowance and the Winter Clothing Allowance paid seasonally to all families receiving social assistance.

One Ontario city, Hamilton, operates differently than the rest of the province and is returning part of the Supplement clawback.

> In 2006, the City returned $962,000 of NCB funds to families receiving OW or ODSP through the Hamilton NCB Entitlement Program. $150 per child was issued to 3,426 eligible families representing 6,414 children. This was a one-time payment for 2006.
>
> In the fall of 2007, the City plans to return $2.2 million to eligible OW and ODSP families in Hamilton. We do not know the exact amount to be returned but it will be an increase over last year. The amount of funds per child depends on the number of eligible families/children which we will not know until the end of the month or the beginning of November. Again, this will be a one time payment for 2007. (An official from the City of Hamilton)

Alberta has passed on all NCBS increases since July 2003.

Yukon, the Northwest Territories and Nunavut continue to claw back the full amount of the NCBS from welfare families with children.

Saskatchewan and British Columbia had provincial child benefit programs in place when the NCBS was implemented. In both cases, every time the NCBS was increased, the provincial child benefit was decreased by the same amount. In British Columbia, the child benefit for all families with children reached zero in July 2005—it was fully offset by the federal child benefit. In Saskatchewan, as of July 2005, two-parent families with one child no longer received any provincial child benefit and as of July 2006, those with two or more children, no longer received it either. A lone parent, regardless of the number of children, continued to receive benefits due to the addition of a single-parent supplement in July 2004.

As of early 2006, an estimated 320,620 families continue to have their welfare or child benefits reduced by all or part of the NCBS.

Appendix H at the end of this report provides the details. Because we used data from the Longitudinal Administrative Data (LAD) which covers 1982 to 2006 only, we are not able to do the estimation for 2007.

UNIVERSAL CHILD CARE BENEFIT

The NCW recognizes that the UCCB provides additional financial support to families with young children but continues to have some reservations about its design and objectives.

The Universal Child Care Benefit (UCCB) started in July 2006. It provides $100 per child per month to families with children 6 or under.

As a taxable benefit in the hands of the lowest earner in a family, it triggers inequities between one- and two-earner families with the same annual income, and between one-earner families with two parents and employed lone parents who struggle as their family's sole or primary earner and caregiver.

While the UCCB may provide some welcome financial support to families, those who will benefit the most are those who already have child care options. Parents and children living in poverty continue to have difficulties accessing quality and affordable child care that provides developmental opportunities to children and enables their parents to participate in the labor force.

One organization has also expressed concern about the effect of the UCCB on the welfare wall.

> (...) welfare families...will end up with $1,200 less the $249 young child supplement, or $951. But working families will receive less. For example, a working poor single-parent family in Ontario earning $20,000 will lose $726 in taxes and (benefit reductions)... This is not to say that families on welfare will get too much, but that low income working families should get the same net amount as those on welfare –not less. (Caledon Institute of Social Policy, *The Incredible Shrinking $1,200 Child Care Allowance: How to Fix It*, Ken Battle, April 2006, page 8)

PROVINCIAL CHILD BENEFITS

This section describes the five provincial child benefit programs that now provide basic benefits to children outside of the welfare system. The child benefit programs in New Brunswick and the three territories have not replaced children's social assistance benefits. Eligible welfare families receive them in addition to their regular welfare entitlement.

NEWFOUNDLAND AND LABRADOR

The **Newfoundland and Labrador Child Benefit** (NLCB) was introduced in July 1999 as part of the province's reform of its social assistance program. **The NLCB, combined with the federal NCBS, provides child benefits to social assistance families with children.** As of July 2006, the maximum monthly benefits were $21.41 for the first child and $27.91 for the second child. In July 2007 it increased to $26.83 for the first child and $28.50 for the second. There is no clawback of the NCBS from welfare families.

NOVA SCOTIA

The **Nova Scotia Child Benefit** was originally introduced in July 1998. In July 2001, Nova Scotia redesigned its welfare system. **Basic benefits for children** were removed from social assistance and **paid to all low-income families** through an enhanced Nova Scotia Child Benefit. Since July 2001, monthly benefit levels have remained the same at $37.08 for the first child and $53.75 for the second child. As of July 2001, the NCBS was no longer clawed back.

QUEBEC

In September 1997, Quebec reformed its social assistance system and implemented its child benefit program—the new Family Allowance program. From 1998 until July 2001, Quebec reduced its child benefit by the amount of the NCBS. In July 2001, the province stopped clawing back increases to the NCBS.

In January 2005, Quebec introduced the **new Child Assistance measure**. It **replaced** the **former Family Allowance**, the **tax credit for dependent children** and the **tax reduction for families**. In January 2006, the maximum monthly benefit for a one-child family was $170.75 and for a two-child family it was $256.08. In January 2007, it increased to $174.25 for a one child family and to $261.33 for a two-child family. Lone-parent families received a maximum additional monthly supplement of $59.75 in 2006 and of $61.00 in 2007. There is no clawback of the NCBS from the new Child Assistance measure.

ONTARIO

In its budget of March 22, 2007, Ontario announced the **Ontario Child Benefit program**, to financially assist lower-income families with children. Starting in July 2007, **families with family net incomes of $20,000 or less** in 2006 received a non-taxable, OCB payment of $250 for each dependent child under 18 years of age. The payment was reduced by 3.4% of the amount of family net income that was more than $20,000. The maximum OCB payment will increase each payment year up to 2011-12 year, when the payment will be $1,100 per child. It is understood that the clawback will be eliminated gradually over the next five years until the end of the

restructuring of the income security system. The amount recovered in 2007 remains at the July 2003 level of $121.91 monthly for the one-child family and of $226.41 for the two-children family.

SASKATCHEWAN

Saskatchewan restructured its welfare programs and introduced the **Saskatchewan Child Benefit** (SCB) in July 1998, at the same time as the National Child Benefit Supplement. The SCB was designed to be a **transitional program**, with **benefits for all families with children decreasing in July of each year as the federal NCBS increased**. As of July 2005, the SCB for a lone parent with one child was $17.42 per month. This was due to the addition of a $35 per month single-parent supplement in July 2004. As of July 2006, the SCB for a lone parent with one child was reduced to zero. The SCB for a couple with one child was zero as of July 2005. A couple with two children received $0.58 per month (paid as a lump sum). In July 2006, the amount for this family was reduced to zero.

BRITISH COLUMBIA

In July 1996, British Columbia restructured its social assistance program and implemented the **BC Family Bonus**, which paid a **set amount per child**. Starting in July 1998, with the introduction of the NCB Supplement, **Family Bonus benefits for all families with children were decreased each time the NCBS was increased**. By July 2004, the Family Bonus for the first child in a family was zero and for the second child was $11.91 per month. In July 2005, the amount for the second child was reduced to zero. The BC Family Bonus has been fully offset by the NCBS.

THE EFFECTS OF THE CLAWBACK

The CLAWBACK of the National Child Benefit Supplement has had SIGNIFICANT EFFECTS on the COMPOSITION of TOTAL WELFARE INCOMES.

Each year, as the NCBS increased, the AMOUNT OF MONEY CLAWED BACK by provinces and territories ALSO INCREASED.

As a result, provincial and territorial spending on welfare decreased and the federal share of welfare incomes increased.

Figures 4.1 through 4.26 show the shifts in funding patterns for welfare over the years, particularly since the start of the National Child Benefit in July 1998. The federal contribution to total welfare incomes through federal child benefits, the federal energy cost benefit (in 2006 only) and the GST credit is represented by the black portion of each of the bars in the charts. It became

progressively larger starting in 1998. Provincial and territorial contributions to total welfare incomes, represented by the white portion of each of the bars, became smaller and smaller.

Between 1999—the first full year of the NCBS—and 2007, the amount of the federal component of welfare incomes for the lone parent with one child increased by about 70% or $2,131 in 2007 constant dollars. The amount varies since not all lone parents received the same amount of the GST credit in 1999.

For a couple with two children, in most jurisdictions it rose by 51%—or $2,350—after adjusting for inflation. In both scenarios, most of this was due to increases in federal child benefits. For a couple with two children in Yukon and in the Northwest Territories, the amount of the federal component increased by a lesser amount than in the provinces, because the NCBS was reduced for a couple with an income higher than $20,435 for the tax year 2005 or with an income higher than $20,883 for the tax year 2006. For a couple in Nunavut[2], the highest welfare income even triggered a net decrease in the federal variation. We are unable to determine how many families have been in this situation.

Table 3.2 in the previous chapter compares welfare incomes for families with children in 1997, before the implementation of the NCBS, and in 2007. All figures have been adjusted for inflation.

- **The LONE PARENTS in 5 jurisdictions received LOWER TOTAL WELFARE INCOMES IN 2007 THAN THEY HAD IN 1997.**
- **The COUPLE WITH TWO CHILDREN saw their welfare incomes decline in 6 jurisdictions.**

Meanwhile, there were freezes and cuts in the benefits provided by three-fifths of the provincial and territorial governments that more or less offset the increases from the federal government.

Over the period 1999-2007, there were increases in benefits by both levels of jurisdiction but the result was an overall increase of more than 10% in only seven cases.

For lone parents, there was an increase of:

- $299 in Alberta;
- $690 in Manitoba;
- $1,228 in New Brunswick;
- $1,374 in Prince Edward Island;
- $1,442 in Quebec;
- $1,633 in Saskatchewan; and
- $1,742 in Newfoundland and Labrador.

[2] This is based on our assumptions, and especially that our welfare household are tenants in the private rental market rather than homeowners or social housing tenants.

Couples with two children gained:

- $211 in Manitoba;
- $694 in the Northwest Territories;
- $955 in Prince Edward Island;
- $1,815 in New Brunswick;
- $2,086 in Saskatchewan;
- $2,190 in Newfoundland and Labrador; and
- $2,760 in Quebec.

Some of these changes—either increases or decreases—are a result of changes to welfare programs or rates, or are due to the implementation of new provincial or federal programs. For example, Quebec's gains are largely due to their new child benefit program. In the NWT, the increase reflects the higher cost of living, as the NWT pays welfare households the actual costs of shelter, fuel and utilities.

There is no guarantee that welfare incomes will rise if a province does not claw back the NCBS.

As of early 2007, among the five provinces that do not claw back —Newfoundland and Labrador, Nova Scotia, New Brunswick, Quebec and Manitoba—incomes decreased in 2 of the 10 scenarios since 1997, both in Nova Scotia. Welfare incomes decreased by 2.7% for the lone parent with one child and 0.03% for the couple with two children. These were largely due to the restructuring of the province's welfare program in August 2001. Welfare incomes for the lone parent in Newfoundland and Labrador, New Brunswick and Quebec increased by about 8-10% and by 5% in Manitoba. The couple with two children in Manitoba saw an increase of 1% and the same couple in Newfoundland and Labrador and New Brunswick increased by about 11%. The largest increase—14.4% for the couple with two children—occurred in Quebec.

Despite the significant increase in federal support, cuts or freezes in the already inadequate levels of provincial and territorial support have further eroded welfare incomes.

At the provincial level in 2007, the lone parent with one child and the couple with two children were WORSE OFF in 7 of the 20 scenarios than they were 10 years earlier, before the NCBS was implemented.

This was a big step backwards in the fight against child poverty.

WHAT VENN DIAGRAMS CAN TELL US

Diagram 1 illustrates the situation as of January 1, 2007. The 3 categories of programs or features used here include a provincial/territorial tax credit, a provincial/territorial child benefit (amounting to more than $1) and no NCBS clawback at all. Several jurisdictions had only one feature while Alberta and Prince Edward Island did not have any of these features. Nova Scotia, New Brunswick and Ontario had 2 features. Two jurisdictions, **Newfoundland and Labrador and Quebec**, were the **only ones** with **all 3 features** and it is interesting to note that those are provinces that have comprehensive strategies for preventing and reducing poverty.

Diagram 1 - Families with Children, 2007

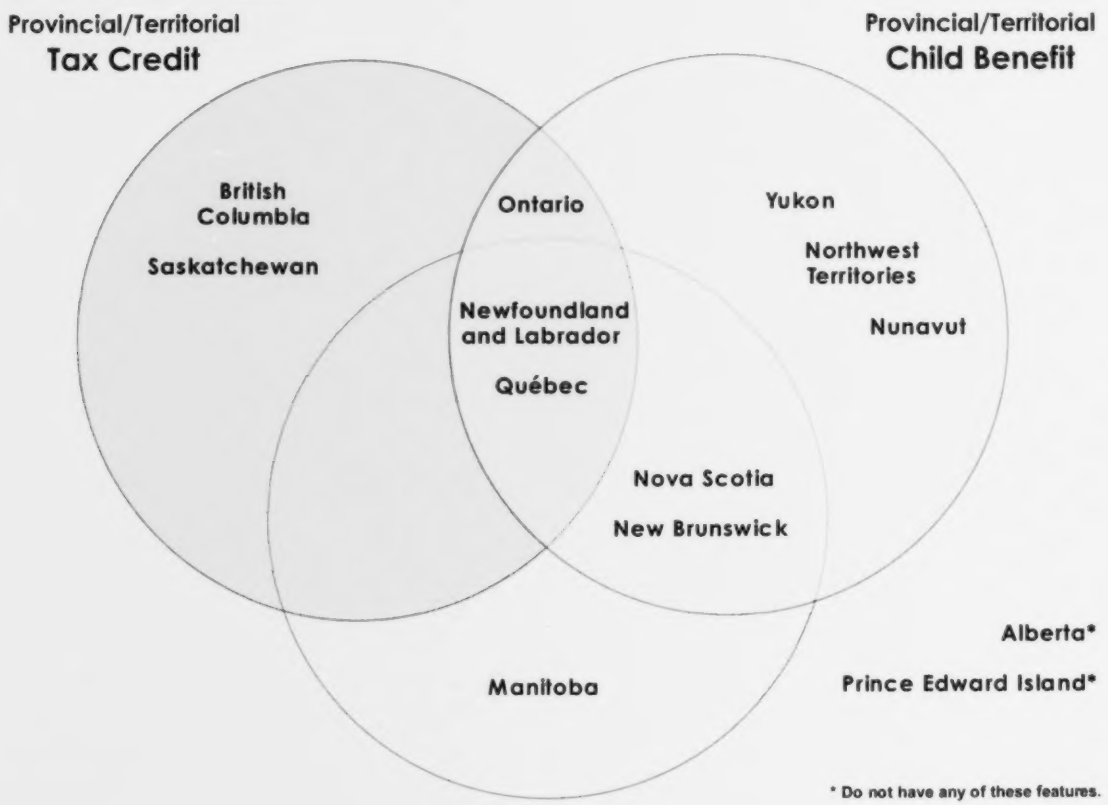


Diagram 2 overlays the first diagram with a box identifying jurisdictions that showed an improvement/ increase in constant dollars in welfare incomes of both families—lone parent with one child, couple with two children—over the period 2003-2007. In addition, in the second diagram, **Saskatchewan** is notable for its **improvement between 2003 and 2007**. **Newfoundland and Labrador and Quebec** were **again the only** 2 jurisdictions with **all 4 features**, including demonstrating improvement in welfare incomes of both families.

Diagram 2 - Families with Children, 2003-2007**

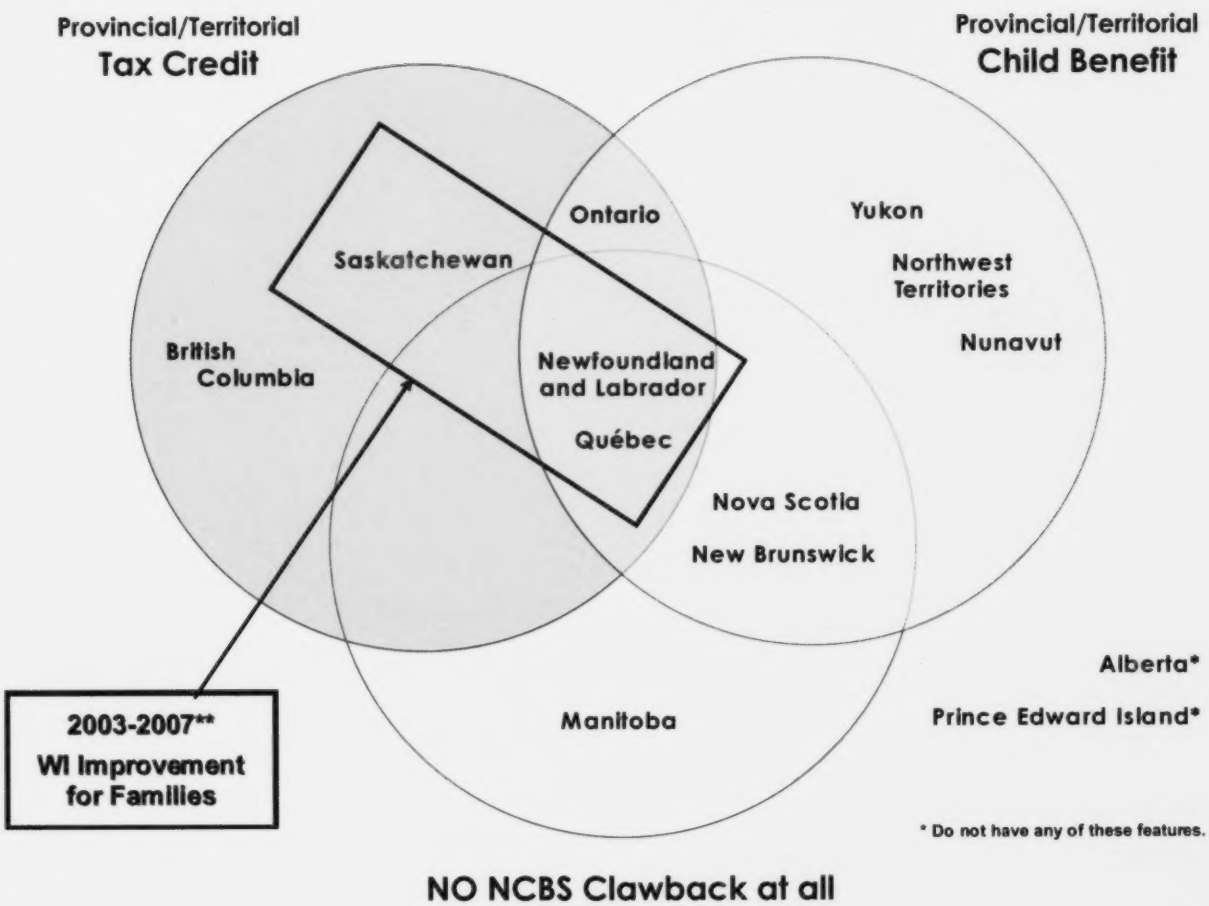


Figure 4.1: Newfoundland & Labrador Welfare Income, Lone Parent, One Child (2007 $)

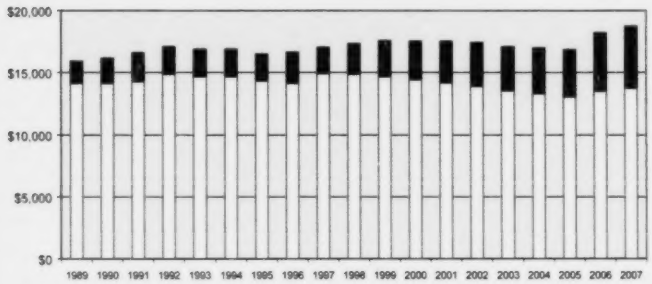


Figure 4.2: Newfoundland & Labrador Welfare Incom Couple, Two Children (2007 $)

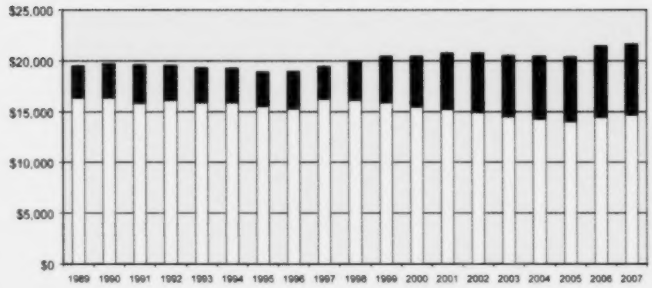


Figure 4.3: Prince Edward Island Welfare Income, Lone Parent, One Child (2007 $)

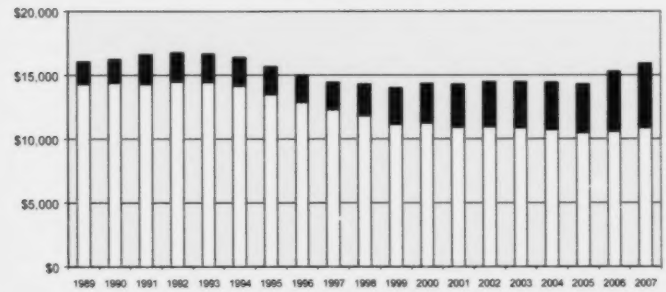


Figure 4.4: Prince Edward Island Welfare Income, Couple, Two Children (2007 $)

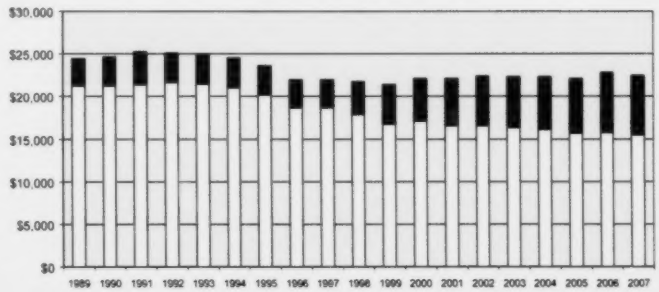


Figure 4.5: Nova Scotia Welfare Income, Lone Parent, One Child (2007 $)

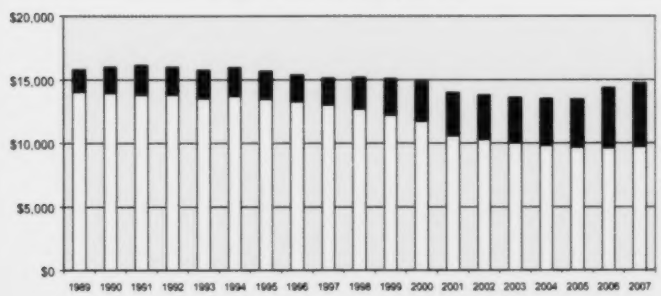


Figure 4.6: Nova Scotia Welfare Income, Couple, Two Children (2007 $)

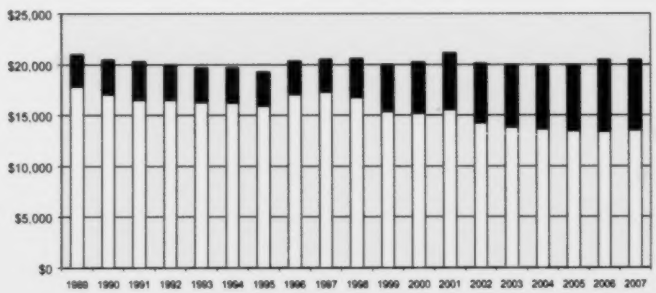


Figure 4.7: New Brunswick Welfare Income, Lone Parent, One Child (2007 $)

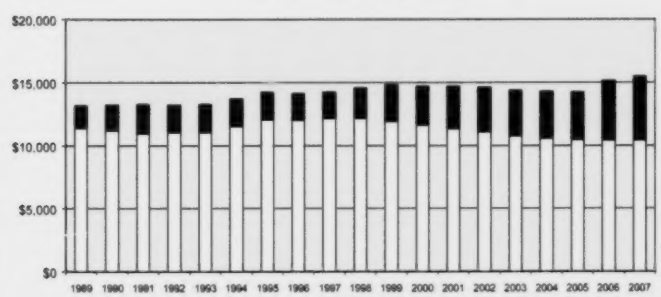
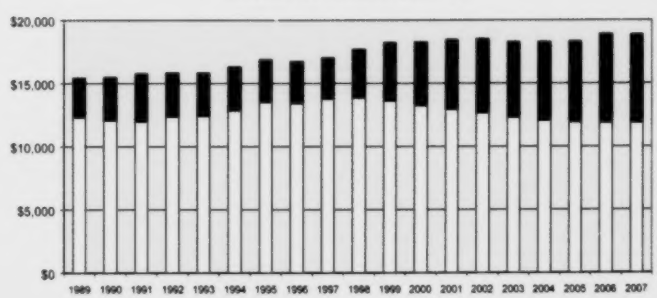


Figure 4.8: New Brunswick Welfare Income, Couple, Two Children (2007 $)



■ Federal

□ Provincial

Figure 4.9: Quebec Welfare Income, Lone Parent, One Child (2007 $)

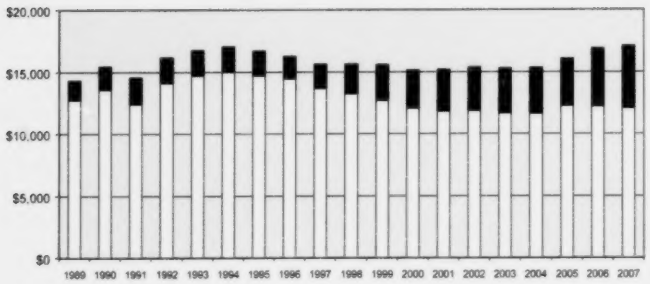


Figure 4.10: Quebec Welfare Income, Couple, Two Children (2007 $)

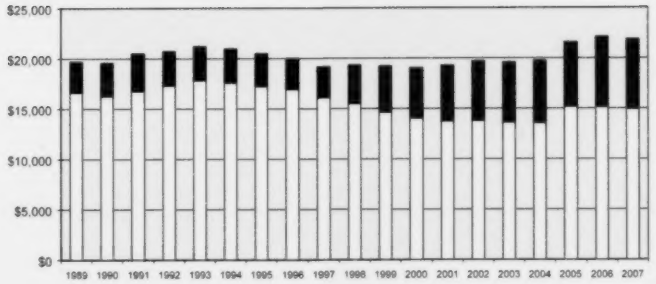


Figure 4.11: Ontario Welfare Income, Lone Parent, One Child (2007 $)

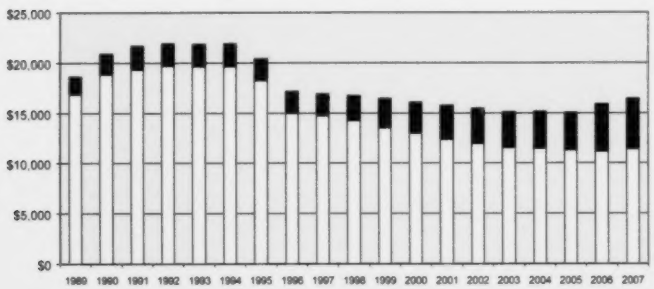


Figure 4.12: Ontario Welfare Income, Couple, Two Children (2007 $)

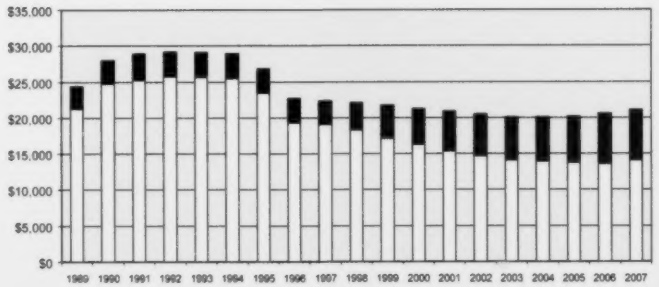


Figure 4.13: Manitoba Welfare Income, Lone Parent, One Child (2007 $)

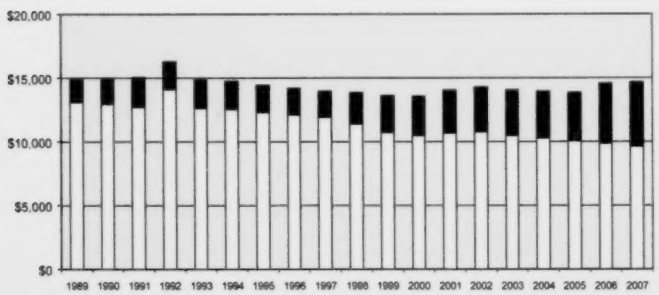


Figure 4.14: Manitoba Welfare Income, Couple, Two Children (2007 $)

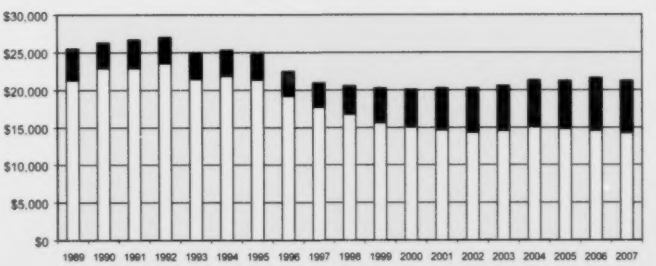


Figure 4.15: Saskatchewan Welfare Income, Lone Parent, One Child (2007 $)

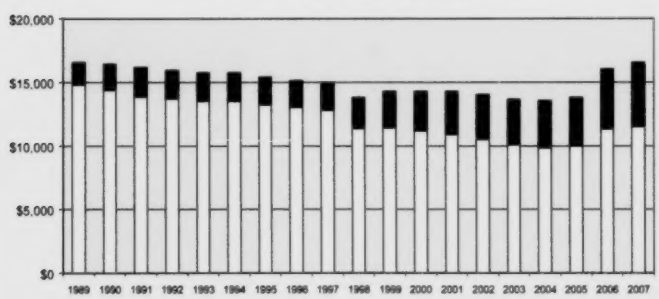
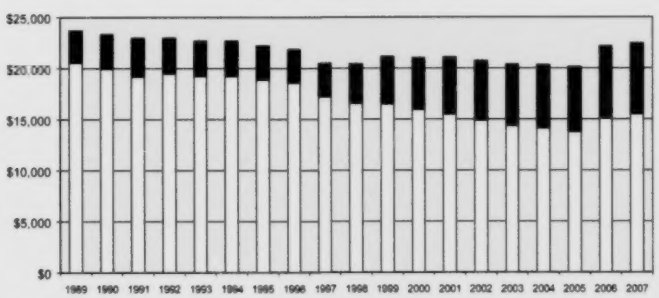


Figure 4.16: Saskatchewan Welfare Income, Couple, Two Children (2007 $)



■ Federal

□ Provincial

Figure 4.17: Alberta Welfare Income, Lone Parent, One Child (2007 $)

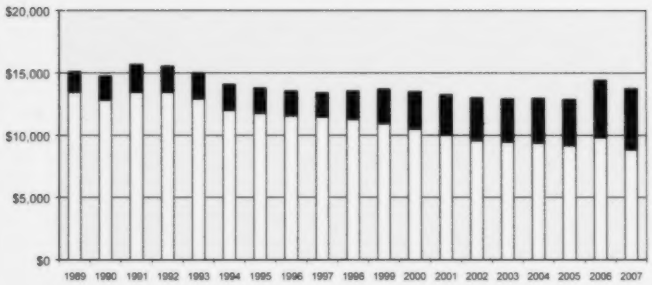


Figure 4.18: Alberta Welfare Income, Couple, Two Children (2007 $)

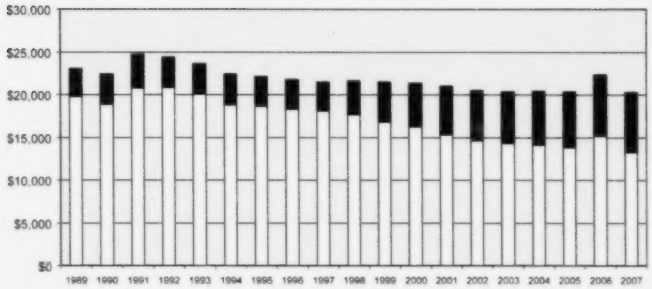


Figure 4.19: British Columbia Welfare Income, Lone Parent, One Child (2007 $)

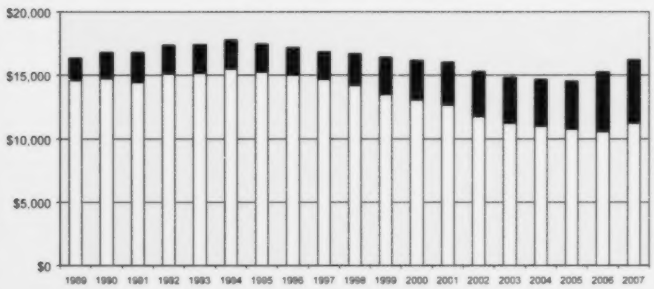


Figure 4.20: British Columbia Welfare Income, Couple, Two Children (2007 $)

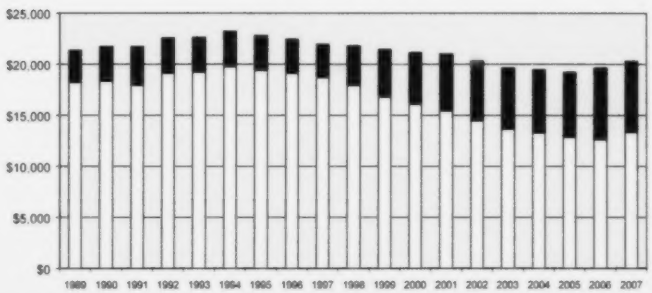


Figure 4.21: Yukon Welfare Income, Lone Parent, One Child (2007 $)

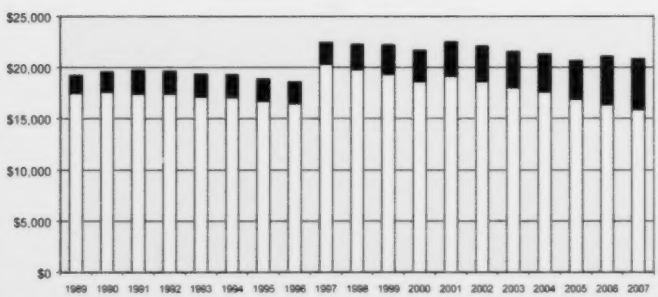


Figure 4.22: Yukon Welfare Income, Couple, Two Children (2007 $)

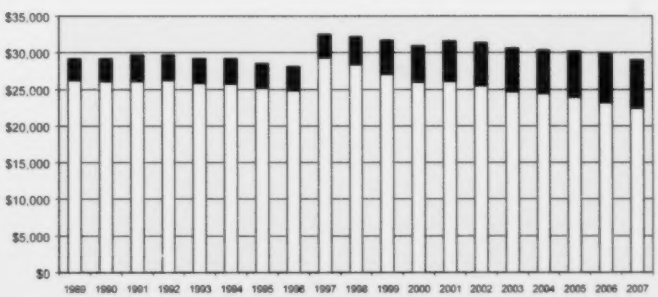


Figure 4.23: Northwest Territories Welfare Income, Lone Parent, One Child (2007 $)

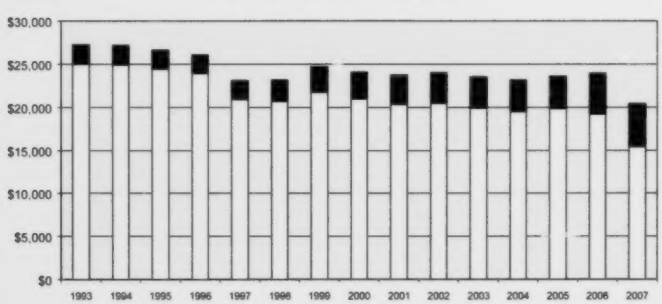
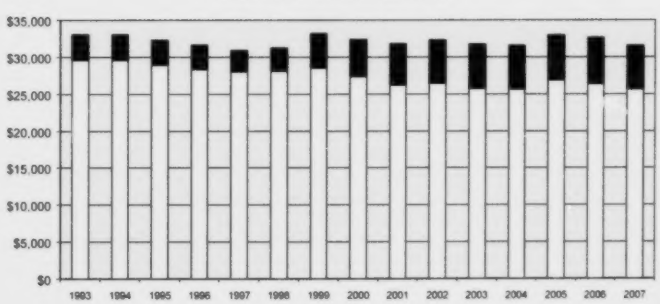


Figure 4.24: Northwest Territories Welfare Income, Couple, Two Children (2007 $)



■ Federal

□ Provincial/Territorial

Figure 4.25: Nunavut Welfare Income, Lone Parent, One Child (2007 $)

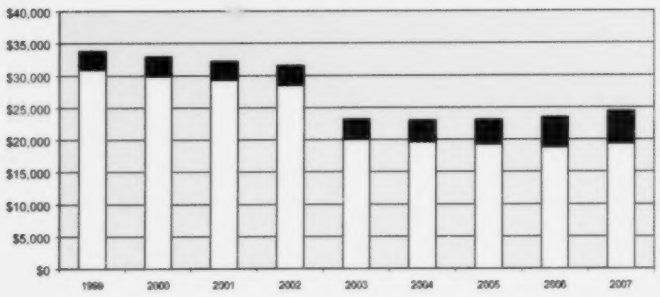
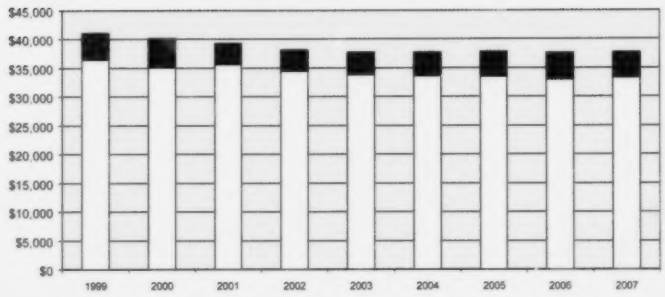


Figure 4.26: Nunavut Welfare Income, Couple, Two Children (2007 $)



Federal

Territorial

DATA TABLE FOR FIGURES 4.1 TO 4.26

*	1989	1990	1991	1992	1993	1994	1995	1996	1997
NEWFOUNDLAND AND LABRADOR									
3-F	$1,777	$2,044	$2,359	$2,252	$2,247	$2,252	$2,199	$2,546	$2,134
3-P/T	$14,144	$14,121	$14,275	$14,860	$14,680	$14,652	$14,342	$14,112	$14,913
TOTAL	$15,921	$16,164	$16,634	$17,112	$16,928	$16,903	$16,542	$16,658	$17,046
4-F	$3,158	$3,395	$3,817	$3,469	$3,440	$3,445	$3,372	$3,700	$3,266
4-P/T	$16,362	$16,328	$15,800	$16,082	$15,885	$15,854	$15,519	$15,270	$16,206
TOTAL	$19,520	$19,723	$19,617	$19,551	$19,325	$19,299	$18,891	$18,970	$19,472
PRINCE EDWARD ISLAND									
3-F	$1,777	$1,874	$2,362	$2,255	$2,243	$2,245	$2,192	$2,150	$2,109
3-P/T	$14,269	$14,384	$14,267	$14,491	$14,407	$14,129	$13,453	$12,834	$12,298
TOTAL	$16,046	$16,258	$16,629	$16,745	$16,650	$16,374	$15,645	$14,984	$14,407
4-F	$3,158	$3,395	$3,817	$3,469	$3,440	$3,445	$3,372	$3,318	$3,266
4-P/T	$21,253	$21,255	$21,373	$21,634	$21,471	$21,054	$20,202	$18,637	$18,685
TOTAL	$24,411	$24,650	$25,190	$25,103	$24,911	$24,499	$23,574	$21,955	$21,951

* **3-F**= Federal contribution to total welfare incomes for lone parents / **3-P/T**= Provincial/Territorial contribution to total welfare incomes for lone parents
4-F= Federal contribution to total welfare incomes for couples / **4-P/T**= Provincial/Territorial contribution to total welfare incomes for couples

Due to the effects of rounding, totals may not always add up.

DATA TABLES FOR FIGURES 4.1 TO 4.26

Figures 4.1 through 4.26 show the shifts in funding patterns for welfare over the years, particularly since the start of the National Child Benefit in July 1998, the federal contribution to total welfare incomes through federal child benefits. The federal energy cost benefit (in 2006 only) and the GST credit is represented by the black portion of each of the bars in the charts. It became progressively larger starting in 1998. Provincial and territorial contributions to total welfare incomes, represented by the white portion of each of the bars, became smaller and smaller.

DATA TABLE FOR FIGURES 4.1 TO 4.26

*	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
NEWFOUNDLAND AND LABRADOR										
3-F	$2,489	$2,919	$3,121	$3,382	$3,527	$3,591	$3,692	$3,801	$4,730	$5,028
3-P/T	$14,868	$14,691	$14,420	$14,177	$13,908	$13,539	$13,305	$13,067	$13,519	$13,760
TOTAL	$17,357	$17,610	$17,541	$17,559	$17,435	$17,131	$16,998	$16,867	$18,249	$18,249
4-F	$3,853	$4,609	$5,026	$5,561	$5,859	$5,993	$6,188	$6,400	$7,032	$6,960
4-P/T	$16,139	$15,865	$15,456	$15,194	$14,903	$14,507	$14,260	$14,008	$14,462	$14,703
TOTAL	$19,992	$20,474	$20,483	$20,756	$20,761	$20,500	$20,448	$20,408	$21,494	$21,662
PRINCE EDWARD ISLAND										
3-F	$2,452	$2,874	$3,097	$3,382	$3,527	$3,591	$3,692	$3,801	$4,730	$5,028
3-P/T	$11,815	$11,141	$11,218	$10,903	$10,944	$10,872	$10,732	$10,488	$10,571	$10,861
TOTAL	$14,267	$14,015	$14,315	$14,285	$14,471	$14,464	$14,424	$14,288	$15,300	$15,889
4-F	$3,853	$4,609	$5,026	$5,561	$5,859	$5,993	$6,188	$6,400	$7,032	$6,960
4-P/T	$17,896	$16,766	$17,099	$16,554	$16,530	$16,308	$16,082	$15,712	$15,758	$15,465
TOTAL	$21,749	$21,375	$22,125	$22,116	$22,388	$22,301	$22,270	$22,113	$22,790	$22,424

* **3-F**= Federal contribution to total welfare incomes for lone parents / **3-P/T**= Provincial/Territorial contribution to total welfare incomes for lone parents
4-F= Federal contribution to total welfare incomes for couples / **4-P/T**= Provincial/Territorial contribution to total welfare incomes for couples

Due to the effects of rounding, totals may not always add up.

DATA TABLE FOR FIGURES 4.1 TO 4.26

*	1989	1990	1991	1992	1993	1994	1995	1996	1997
NOVA SCOTIA									
3-F	$1,777	$2,043	$2,356	$2,245	$2,231	$2,229	$2,179	$2,147	$2,113
3-P/T	$14,027	$13,927	$13,758	$13,758	$13,515	$13,703	$13,448	$13,232	$13,023
TOTAL	$15,805	$15,970	$16,114	$16,004	$15,746	$15,932	$15,627	$15,379	$15,136
4-F	$3,158	$3,395	$3,817	$3,469	$3,440	$3,445	$3,372	$3,318	$3,266
4-P/T	$17,844	$17,053	$16,479	$16,497	$16,258	$16,226	$15,883	$17,044	$17,256
TOTAL	$21,002	$20,448	$20,296	$19,966	$19,698	$19,671	$19,256	$20,362	$20,522
NEW BRUNSWICK									
3-F	$1,777	$2,031	$2,319	$2,192	$2,177	$2,178	$2,133	$2,111	$2,087
3-P/T	$11,367	$11,191	$10,939	$11,019	$11,054	$11,506	$12,068	$11,996	$12,135
TOTAL	$13,145	$13,221	$13,258	$13,212	$13,231	$13,684	$14,201	$14,107	$14,223
4-F	$3,158	$3,395	$3,817	$3,469	$3,440	$3,445	$3,372	$3,318	$3,266
4-P/T	$12,298	$12,089	$11,974	$12,365	$12,399	$12,848	$13,509	$13,422	$13,768
TOTAL	$15,456	$15,485	$15,791	$15,834	$15,839	$16,293	$16,882	$16,740	$17,034
QUEBEC									
3-F	$1,566	$1,832	$2,129	$2,036	$2,029	$2,041	$2,008	$1,793	$1,947
3-P/T	$12,733	$13,569	$12,415	$14,097	$14,683	$14,998	$14,681	$14,445	$13,678
TOTAL	$14,299	$15,401	$14,543	$16,132	$16,712	$17,038	$16,689	$16,239	$15,626
4-F	$3,063	$3,303	$3,728	$3,379	$3,351	$3,357	$3,285	$3,083	$3,055
4-P/T	$16,629	$16,272	$16,747	$17,317	$17,832	$17,594	$17,223	$16,947	$16,075
TOTAL	$19,692	$19,575	$20,475	$20,696	$21,184	$20,951	$20,509	$20,029	$19,129
ONTARIO									
3-F	$1,777	$2,052	$2,378	$2,269	$2,253	$2,259	$2,210	$2,175	$2,140
3-P/T	$16,820	$18,850	$19,310	$19,662	$19,633	$19,642	$18,219	$14,962	$14,752
TOTAL	$18,597	$20,902	$21,687	$21,931	$21,886	$21,901	$20,430	$17,137	$16,892
4-F	$3,158	$3,273	$3,739	$3,469	$3,440	$3,445	$3,373	$3,318	$3,266
4-P/T	$21,226	$24,732	$25,189	$25,738	$25,673	$25,450	$23,460	$19,332	$19,064
TOTAL	$24,384	$28,005	$28,927	$29,207	$29,113	$28,894	$26,833	$22,650	$22,330

* **3-F**= Federal contribution to total welfare incomes for lone parents / **3-P/T**= Provincial/Territorial contribution to total welfare incomes for lone parents
4-F= Federal contribution to total welfare incomes for couples / **4-P/T**= Provincial/Territorial contribution to total welfare incomes for couples

Due to the effects of rounding, totals may not always add up.

DATA TABLE FOR FIGURES 4.1 TO 4.26

*	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
NOVA SCOTIA										
3-F	$2,463	$2,890	$3,105	$3,382	$3,527	$3,591	$3,692	$3,801	$4,730	$5,028
3-P/T	$12,687	$12,192	$11,741	$10,584	$10,265	$9,988	$9,816	$9,664	$9,625	$9,697
TOTAL	$15,149	$15,081	$14,846	$13,966	$13,792	$13,579	$13,509	$13,465	$14,355	$14,725
4-F	$3,853	$4,609	$5,026	$5,561	$5,859	$5,993	$6,188	$6,400	$7,032	$6,960
4-P/T	$16,735	$15,366	$15,212	$15,532	$14,229	$13,845	$13,615	$13,439	$13,413	$13,504
TOTAL	$20,588	$19,975	$20,238	$21,094	$20,088	$19,838	$19,803	$19,839	$20,445	$20,464
NEW BRUNSWICK										
3-F	$2,442	$2,876	$3,100	$3,382	$3,527	$3,591	$3,692	$3,801	$4,730	$5,028
3-P/T	$12,126	$11,918	$11,600	$11,311	$11,064	$10,766	$10,567	$10,435	$10,386	$10,423
TOTAL	$14,568	$14,793	$14,700	$14,693	$14,591	$14,357	$14,259	$14,235	$15,116	$15,451
4-F	$3,853	$4,609	$5,026	$5,561	$5,859	$5,993	$6,188	$6,400	$7,032	$6,960
4-P/T	$13,847	$13,609	$13,244	$12,914	$12,632	$12,291	$12,064	$11,912	$11,854	$11,889
TOTAL	$17,699	$18,218	$18,270	$18,475	$18,491	$18,284	$18,253	$18,312	$18,886	$18,849
QUEBEC										
3-F	$2,389	$2,901	$3,110	$3,382	$3,527	$3,591	$3,692	$3,801	$4,730	$5,028
3-P/T	$13,225	$12,659	$12,031	$11,801	$11,862	$11,676	$11,619	$12,247	$12,172	$12,040
TOTAL	$15,614	$15,560	$15,141	$15,182	$15,389	$15,267	$15,312	$16,048	$16,902	$17,068
4-F	$3,811	$4,609	$5,026	$5,561	$5,859	$5,993	$6,188	$6,400	$7,032	$6,960
4-P/T	$15,507	$14,629	$14,014	$13,727	$13,814	$13,606	$13,566	$15,182	$15,095	$14,930
TOTAL	$19,318	$19,238	$19,040	$19,288	$19,673	$19,599	$19,754	$21,582	$22,127	$21,890
ONTARIO										
3-F	$2,488	$2,913	$3,116	$3,382	$3,527	$3,591	$3,692	$3,801	$4,730	$5,028
3-P/T	$14,244	$13,535	$12,969	$12,382	$11,941	$11,509	$11,485	$11,263	$11,151	$11,409
TOTAL	$16,732	$16,448	$16,085	$15,764	$15,468	$15,101	$15,178	$15,064	$15,881	$16,436
4-F	$3,853	$4,609	$5,026	$5,561	$5,859	$5,993	$6,188	$6,400	$7,032	$6,960
4-P/T	$18,261	$17,137	$16,269	$15,336	$14,659	$14,049	$13,892	$13,720	$13,573	$14,098
TOTAL	$22,114	$21,746	$21,295	$20,897	$20,518	$20,042	$20,080	$20,121	$20,605	$21,058

* **3-F**= Federal contribution to total welfare incomes for lone parents / **3-P/T**= Provincial/Territorial contribution to total welfare incomes for lone parents
4-F= Federal contribution to total welfare incomes for couples / **4-P/T**= Provincial/Territorial contribution to total welfare incomes for couples

Due to the effects of rounding, totals may not always add up.

DATA TABLE FOR FIGURES 4.1 TO 4.26

*	1989	1990	1991	1992	1993	1994	1995	1996	1997
MANITOBA									
3-F	$1,777	$2,033	$2,324	$2,203	$2,201	$2,212	$2,159	$2,124	$2,090
3-P/T	$13,097	$12,939	$12,720	$14,090	$12,640	$12,536	$12,272	$12,075	$11,884
TOTAL	$14,874	$14,971	$15,044	$16,293	$14,841	$14,748	$14,430	$14,199	$13,974
4-F	$4,231	$3,395	$3,817	$3,469	$3,440	$3,445	$3,372	$3,318	$3,266
4-P/T	$21,256	$22,869	$22,874	$23,542	$21,464	$21,835	$21,362	$19,138	$17,700
TOTAL	$25,487	$26,264	$26,691	$27,011	$24,905	$25,280	$24,734	$22,456	$20,965
SASKATCHEWAN									
3-F	$1,777	$2,047	$2,364	$2,251	$2,231	$2,229	$2,177	$2,143	$2,108
3-P/T	$14,801	$14,379	$13,840	$13,683	$13,532	$13,505	$13,221	$13,008	$12,803
TOTAL	$16,579	$16,426	$16,204	$15,933	$15,763	$15,734	$15,398	$15,151	$14,911
4-F	$3,158	$3,395	$3,817	$3,469	$3,440	$3,445	$3,372	$3,318	$3,266
4-P/T	$20,537	$19,941	$19,165	$19,484	$19,218	$19,255	$18,852	$18,549	$17,192
TOTAL	$23,695	$23,336	$22,982	$22,953	$22,658	$22,700	$22,224	$21,867	$20,458
ALBERTA									
3-F	$1,654	$1,920	$2,227	$2,114	$2,109	$2,106	$2,048	$2,007	$1,974
3-P/T	$13,428	$12,809	$13,441	$13,408	$12,874	$11,959	$11,706	$11,517	$11,430
TOTAL	$15,082	$14,730	$15,668	$15,522	$14,983	$14,065	$13,754	$13,524	$13,404
4-F	$3,283	$3,519	$3,938	$3,591	$3,561	$3,569	$3,496	$3,440	$3,385
4-P/T	$19,784	$18,872	$20,804	$20,829	$20,061	$18,828	$18,621	$18,322	$18,119
TOTAL	$23,067	$22,391	$24,741	$24,419	$23,623	$22,396	$22,117	$21,762	$21,505
BRITISH COLUMBIA									
3-F	$1,777	$2,046	$2,367	$2,259	$2,250	$2,257	$2,210	$2,175	$2,141
3-P/T	$14,588	$14,741	$14,443	$15,092	$15,146	$15,515	$15,236	$14,992	$14,693
TOTAL	$16,365	$16,787	$16,810	$17,351	$17,396	$17,773	$17,446	$17,167	$16,834
4-F	$3,158	$3,395	$3,817	$3,469	$3,440	$3,445	$3,372	$3,318	$3,266
4-P/T	$18,220	$18,345	$17,919	$19,094	$19,208	$19,785	$19,431	$19,119	$18,694
TOTAL	$21,378	$21,740	$21,736	$22,563	$22,648	$23,230	$22,804	$22,437	$21,960

* **3-F**= Federal contribution to total welfare incomes for lone parents / **3-P/T**= Provincial/Territorial contribution to total welfare incomes for lone parents
4-F= Federal contribution to total welfare incomes for couples / **4-P/T**= Provincial/Territorial contribution to total welfare incomes for couples

Due to the effects of rounding, totals may not always add up.

DATA TABLE FOR FIGURES 4.1 TO 4.26

*	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
MANITOBA										
3-F	$2,440	$2,866	$3,092	$3,382	$3,527	$3,591	$3,692	$3,801	$4,730	$5,028
3-P/T	$11,405	$10,737	$10,489	$10,675	$10,745	$10,455	$10,262	$10,045	$9,851	$9,636
TOTAL	$13,845	$13,603	$13,581	$14,057	$14,272	$14,047	$13,955	$13,845	$14,581	$14,664
4-F	$3,853	$4,609	$5,026	$5,561	$5,859	$5,993	$6,188	$6,400	$7,032	$6,960
4-P/T	$16,706	$15,596	$15,020	$14,646	$14,328	$14,521	$15,071	$14,820	$14,535	$14,217
TOTAL	$20,558	$20,205	$20,046	$20,207	$20,187	$20,514	$21,260	$21,221	$21,567	$21,177
SASKATCHEWAN										
3-F	$2,459	$2,874	$3,092	$3,382	$3,527	$3,591	$3,692	$3,801	$4,730	$5,028
3-P/T	$11,349	$11,388	$11,189	$10,893	$10,506	$10,066	$9,846	$9,996	$11,330	$11,517
TOTAL	$13,807	$14,263	$14,281	$14,275	$14,033	$13,658	$13,538	$13,796	$16,060	$16,545
4-F	$3,853	$4,609	$5,026	$5,561	$5,859	$5,993	$6,188	$6,400	$7,032	$6,960
4-P/T	$16,542	$16,515	$15,972	$15,500	$14,876	$14,357	$14,109	$13,746	$15,084	$15,484
TOTAL	$20,394	$21,124	$20,998	$21,061	$20,735	$20,351	$20,297	$20,147	$22,116	$22,444
ALBERTA										
3-F	$2,327	$2,758	$2,992	$3,281	$3,422	$3,486	$3,586	$3,692	$4,625	$4,919
3-P/T	$11,222	$10,903	$10,485	$9,965	$9,551	$9,422	$9,355	$9,157	$9,798	$8,784
TOTAL	$13,549	$13,661	$13,477	$13,246	$12,973	$12,909	$12,941	$12,849	$14,423	$13,703
4-F	$3,971	$4,726	$5,140	$5,665	$5,954	$6,084	$6,279	$6,490	$7,122	$7,048
4-P/T	$17,676	$16,793	$16,219	$15,305	$14,578	$14,291	$14,134	$13,834	$15,203	$13,271
TOTAL	$21,647	$21,519	$21,358	$20,970	$20,532	$20,375	$20,412	$20,324	$22,325	$20,319
BRITISH COLUMBIA										
3-F	$2,491	$2,918	$3,119	$3,382	$3,527	$3,591	$3,692	$3,801	$4,730	$5,028
3-P/T	$14,188	$13,487	$13,043	$12,658	$11,757	$11,245	$10,982	$10,739	$10,532	$11,202
TOTAL	$16,679	$16,405	$16,162	$16,040	$15,284	$14,836	$14,674	$14,540	$15,262	$16,230
4-F	$3,853	$4,609	$5,026	$5,561	$5,859	$5,993	$6,188	$6,400	$7,032	$6,960
4-P/T	$17,905	$16,803	$16,078	$15,429	$14,466	$13,631	$13,256	$12,849	$12,609	$13,323
TOTAL	$21,757	$21,412	$21,104	$20,990	$20,325	$19,624	$19,445	$19,249	$19,641	$20,283

* **3-F**= Federal contribution to total welfare incomes for lone parents / **3-P/T**= Provincial/Territorial contribution to total welfare incomes for lone parents
4-F= Federal contribution to total welfare incomes for couples / **4-P/T**= Provincial/Territorial contribution to total welfare incomes for couples

Due to the effects of rounding, totals may not always add up.

DATA TABLE FOR FIGURES 4.1 TO 4.26

*	1989	1990	1991	1992	1993	1994	1995	1996	1997
YUKON									
3-F	$1,777	$2,052	$2,378	$2,269	$2,253	$2,259	$2,211	$2,175	$2,141
3-P/T	$17,451	$17,557	$17,406	$17,400	$17,092	$17,058	$16,698	$16,430	$20,306
TOTAL	$19,228	$19,609	$19,784	$19,669	$19,345	$19,317	$18,909	$18,606	$22,447
4-F	$2,982	$3,175	$3,668	$3,469	$3,440	$3,445	$3,372	$3,318	$3,266
4-P/T	$26,197	$26,019	$26,016	$26,228	$25,764	$25,714	$25,171	$24,767	$29,247
TOTAL	$28,541	$28,556	$29,036	$29,048	$28,566	$28,522	$27,919	$27,471	$31,802
NORTHWEST TERRITORIES									
3-F					$2,254	$2,259	$2,211	$2,175	$2,141
3-P/T					$24,981	$24,932	$24,406	$23,901	$20,911
TOTAL					$27,235	$27,190	$26,616	$26,076	$23,052
4-F					$3,440	$3,445	$3,372	$3,318	$2,823
4-P/T					$29,564	$29,553	$28,929	$28,314	$28,044
TOTAL					$33,004	$32,998	$32,301	$31,632	$30,866
NUNAVUT									
3-F									
3-P/T									
TOTAL									
4-F									
4-P/T									
TOTAL									

* **3-F**= Federal contribution to total welfare incomes for lone parents / **3-P/T**= Provincial/Territorial contribution to total welfare incomes for lone parents
4-F= Federal contribution to total welfare incomes for couples / **4-P/T**= Provincial/Territorial contribution to total welfare incomes for couples

Due to the effects of rounding, totals may not always add up.

DATA TABLE FOR FIGURES 4.1 TO 4.26

*	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
YUKON										
3-F	$2,491	$2,919	$3,121	$3,382	$3,527	$3,591	$3,692	$3,801	$4,730	$5,028
3-P/T	$19,749	$19,298	$18,571	$19,094	$18,582	$17,968	$17,600	$16,871	$16,323	$15,834
TOTAL	$22,240	$22,218	$21,691	$22,476	$22,110	$21,560	$21,293	$20,671	$21,053	$20,861
4-F	$3,853	$4,609	$5,026	$5,561	$5,859	$5,993	$5,982	$6,305	$6,750	$6,683
4-P/T	$28,361	$27,050	$25,924	$26,039	$25,493	$24,619	$24,390	$23,863	$23,147	$22,386
TOTAL	$31,509	$30,968	$30,274	$30,909	$30,666	$29,943	$29,709	$29,508	$29,244	$29,069
NORTHWEST TERRITORIES										
3-F	$2,491	$2,919	$3,121	$3,382	$3,527	$3,591	$3,692	$3,801	$4,730	$5,028
3-P/T	$20,685	$21,761	$20,968	$20,320	$20,496	$19,896	$19,480	$19,808	$19,204	$15,398
TOTAL	$23,176	$24,681	$24,089	$23,701	$24,023	$23,488	$23,172	$23,609	$23,934	$19,241
4-F	$3,155	$4,609	$5,026	$5,561	$5,859	$5,993	$5,848	$6,119	$6,257	$5,933
4-P/T	$28,069	$28,548	$27,362	$26,245	$26,424	$25,696	$25,667	$26,856	$26,398	$25,627
TOTAL	$31,224	$33,157	$32,388	$31,806	$32,283	$31,690	$31,516	$32,975	$32,656	$28,424
NUNAVUT										
3-F		$2,919	$3,121	$2,877	$3,088	$3,150	$3,453	$3,801	$4,730	$5,028
3-P/T		$30,876	$29,843	$29,334	$28,464	$20,005	$19,588	$19,293	$18,779	$19,371
TOTAL		$33,057	$32,243	$31,508	$30,863	$22,649	$22,538	$22,589	$22,995	$24,399
4-F		$4,609	$5,026	$3,615	$3,768	$3,837	$4,026	$4,326	$4,565	$4,403
4-P/T		$36,515	$35,118	$35,654	$34,428	$33,877	$33,650	$33,540	$33,022	$33,333
TOTAL		$41,124	$40,144	$39,269	$38,197	$37,714	$37,676	$37,866	$37,587	$37,736

* **3-F**= Federal contribution to total welfare incomes for lone parents / **3-P/T**= Provincial/Territorial contribution to total welfare incomes for lone parents
4-F= Federal contribution to total welfare incomes for couples / **4-P/T**= Provincial/Territorial contribution to total welfare incomes for couples

Due to the effects of rounding, totals may not always add up.

CHAPTER 5

TOTAL WELFARE INCOMES AND POVERTY OVER TIME

This chapter looks at the adequacy of welfare incomes over time using 3 different measures or poverty lines:

- **Before-tax Low-Income Cut-offs** or LICOs;
- **After-tax Low-Income Cut-offs** or LICOs; and
- The **Market Basket Measure**.

Figures 5.1 through 5.10 on the following pages show total welfare incomes as a percentage of the after-tax LICOs for the period 1992 to 2007 in graphic format. Figures 5.11 through 5.20 show, in graphic format, total welfare incomes as a percentage of the Market Basket Measure for the period 2000 to 2007. The numbers can be found at the end of this Chapter in Tables 5.1 to 5.3 (also including before-tax LICO information).

Total welfare incomes include:

- **basic social assistance** and **additional benefits** from provincial governments;
- **federal and provincial child benefits**;
- **federal and provincial resource rebate** (for 2006 only);
- **GST and HST credits**; and
- **provincial tax credits**.

We are unable to include the territories in the table because they are excluded from the Statistics Canada survey that is used to generate the Low-Income Cut-offs.

RECENT TRENDS

Between 2005 and 2006, regardless of the poverty measure used to compare welfare incomes:

- from 5 to 7 households saw deterioration;
- from 3 to 7 households saw no change; and
- from 28 to 30 households saw an improvement.

The average variation between 2005 and 2006 using the MBM was 2.9% while it was 4.3% using after-tax LICOs. The median variation was 2.2% with MBM while it was 3.0% with after-tax LICOs.

Between 2006 and 2007, results using the MBM were different than those using before and after-tax LICOs. Twenty-nine households saw deterioration between 2006 and 2007 when using the MBM while only 7 or 8 saw a decrease when using LICOs. Two households saw an increase when using the MBM while 17 to 22 saw an improvement when using LICOs. The average variation using the MBM was minus 1.8% and it was 0.8% using before-tax LICOs and 1.2% using after-tax LICOs. The median variation using MBM was minus 1.4% and it was 0.9% using before-tax LICOs which was really close to the 1.1% when using after-tax LICOs. In other words, the situation looked worse with the MBM than with LICOs. Since the MBM takes into account variation in geographical cost of living, while LICOs were the same for Montreal, Toronto and Vancouver, the real picture is probably closer to the MBM than to the LICOs.

Between 2005 and 2006, all decreases in welfare incomes compared to after-tax LICO and MBM happened either for the single employable person or the person with a disability in 6 provinces:

- Nova Scotia;
- New Brunswick;
- Quebec;
- Ontario;
- Manitoba; and
- British Columbia.

Increases in welfare incomes compared to all 3 measures were notable in:

- **SASKATCHEWAN** where increases were at least:
  - 10 percentage points for the single employable person and the lone parent with one child;

    and
  - 6 percentage points for the couple with two children; as well as in,
- **NEWFOUNDLAND and LABRADOR**, where increases were at least 6 percentage points for the lone parent.

LONGER TRENDS

Welfare incomes as a percentage of the before-tax poverty line had been falling in most provinces until 2005. This trend reversed in 2006 for many jurisdictions, but continued for a number of them. In all provinces except Newfoundland and Labrador, Nova Scotia, New Brunswick and Quebec for one household, welfare incomes as a percentage of the poverty line peaked in 1994 or earlier for all household types. Even at their peak, they were still very low, with most at two-thirds of the poverty line or less.

Welfare incomes were never high, but the declines that have occurred demonstrate that Canadian welfare programs are too often providing inadequate help to people who need it the most.

In Ontario, welfare incomes as a percentage of the poverty line have fallen a staggering 18 to 23 percentage points for all four household types since the early 1990s. Since 1989, Prince Edward Island has seen decreases of over 20 percentage points for both the single employable person and the person with a disability. A single person's welfare income as a percentage of the poverty line has always been the lowest. But none of the provinces has welfare incomes that even come close to the before-tax poverty line for any of the four household types.

A FURTHER LOOK AT FAMILY TYPE

Figures 5.1 through 5.20 in the following pages illustrate the following facts:

- **In ALL provinces, single employable persons were consistently the most impoverished.**
- **SINGLE PERSONS WITH A DISABILITY followed in most provinces.**
- **LONE PARENTS and COUPLES WITH CHILDREN tended to do better, but only a few of the welfare incomes in recent years could be considered adequate or reasonable.**

Welfare Incomes over Time as % of After-Tax LICO - 4 Household Types in Each Province

Figure 5.1: Newfoundland and Labrador

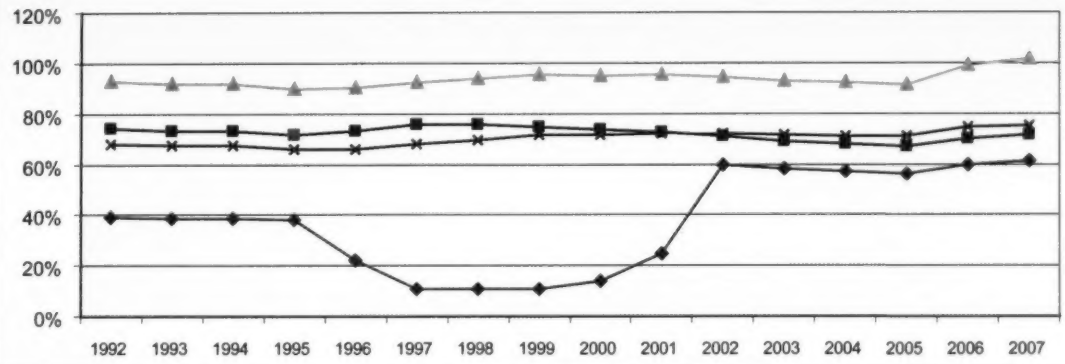


Figure 5.2: Prince Edward Island

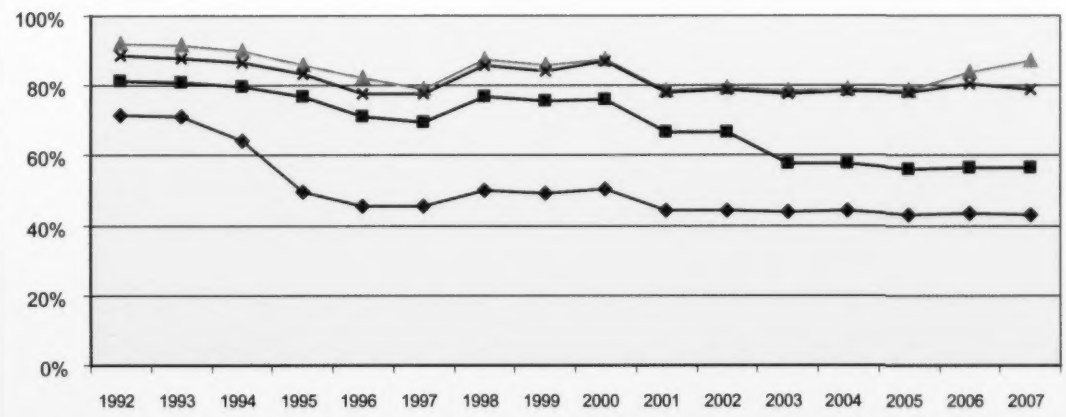
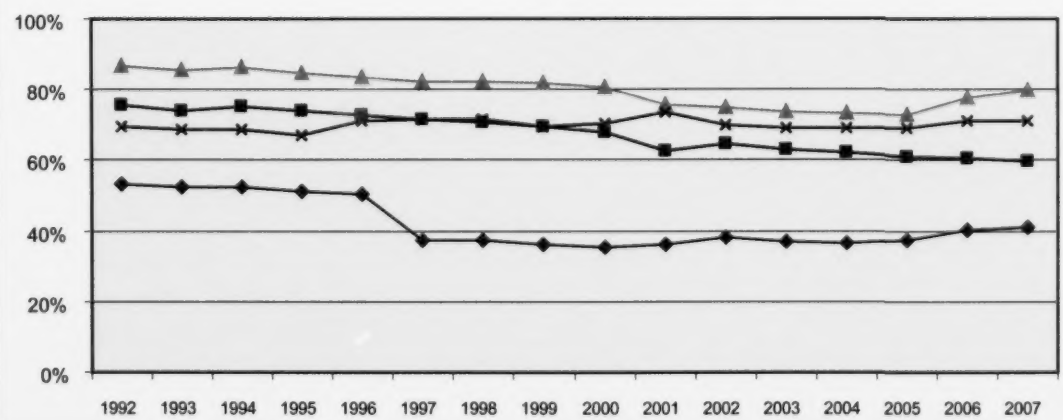


Figure 5.3: Nova Scotia



Single Employable Person
Person with a Disability
Lone Parent, One Child
Couple, Two Children

Welfare Incomes over Time as % of After-Tax LICO - 4 Household Types in Each Province

Figure 5.4: New Brunswick

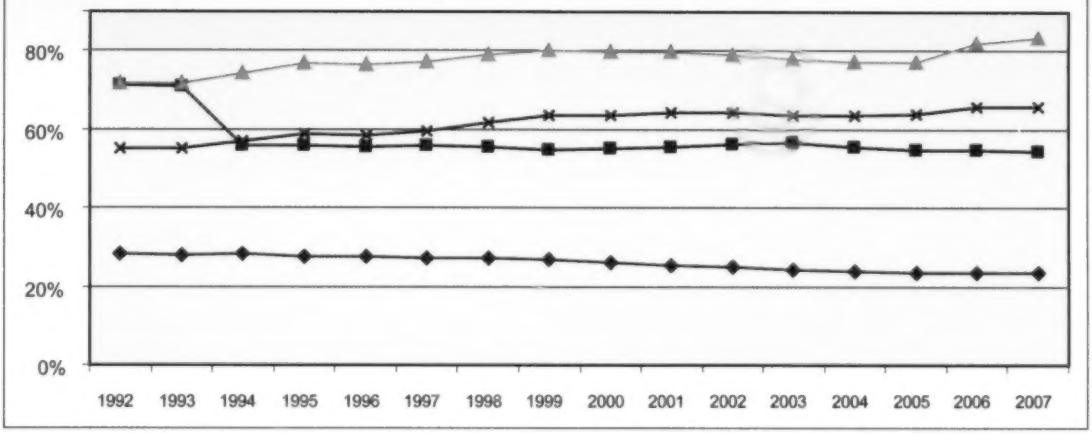


Figure 5.5: Quebec

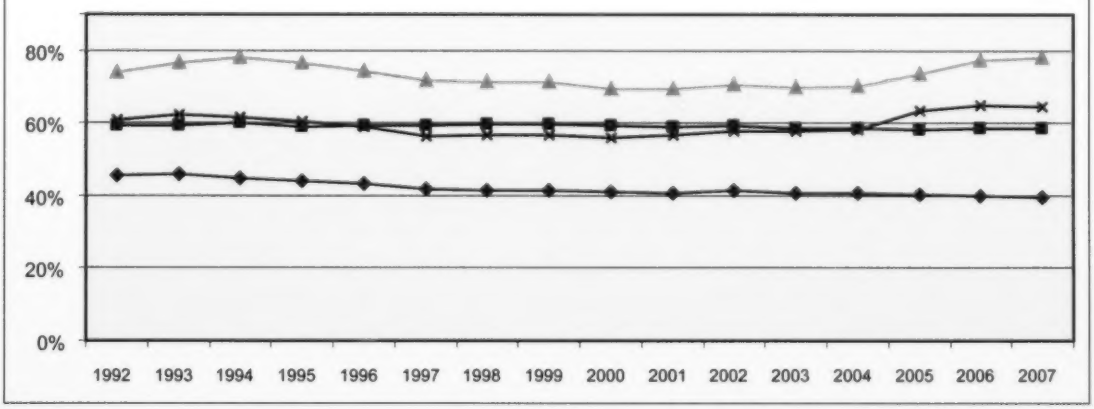
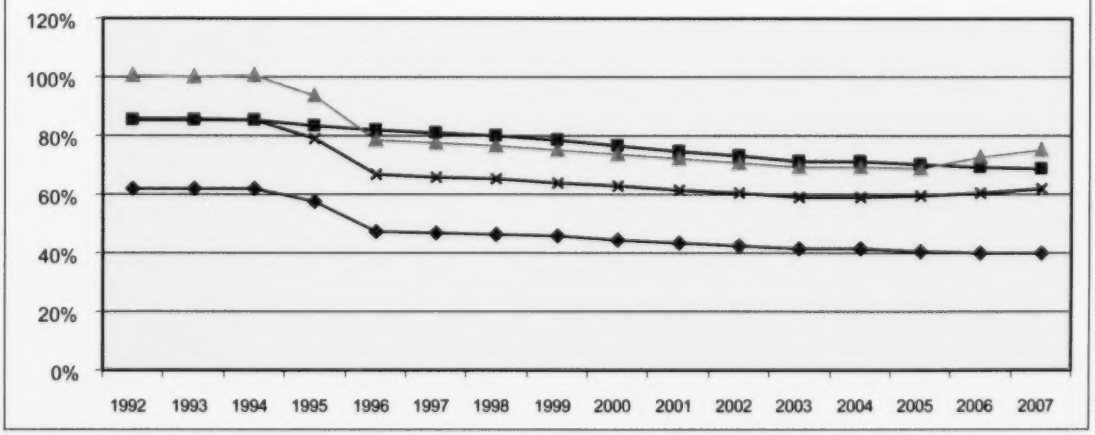


Figure 5.6: Ontario



Single Employable Person
Person with a Disability
Lone Parent, One Child
Couple, Two Children

Welfare Incomes over Time as % of After-Tax LICO - 4 Household Types in Each Province

Figure 5.7: Manitoba

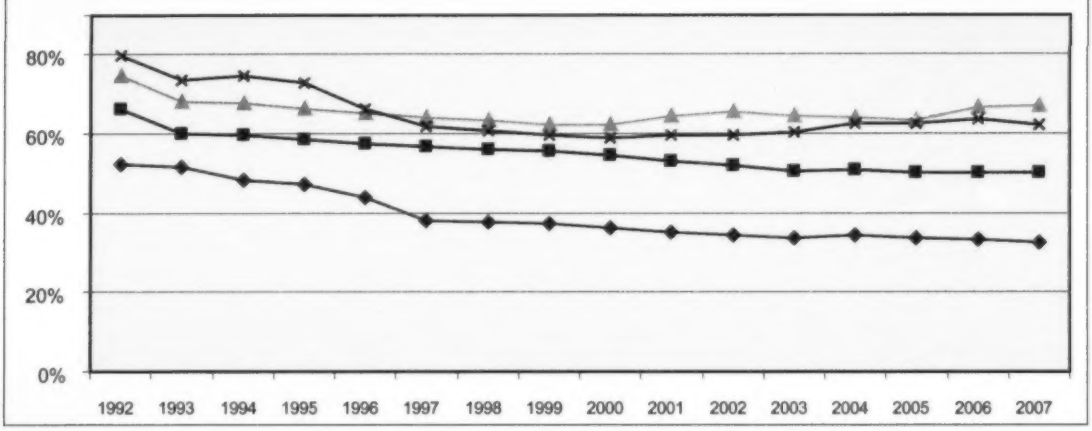


Figure 5.8: Saskatchewan

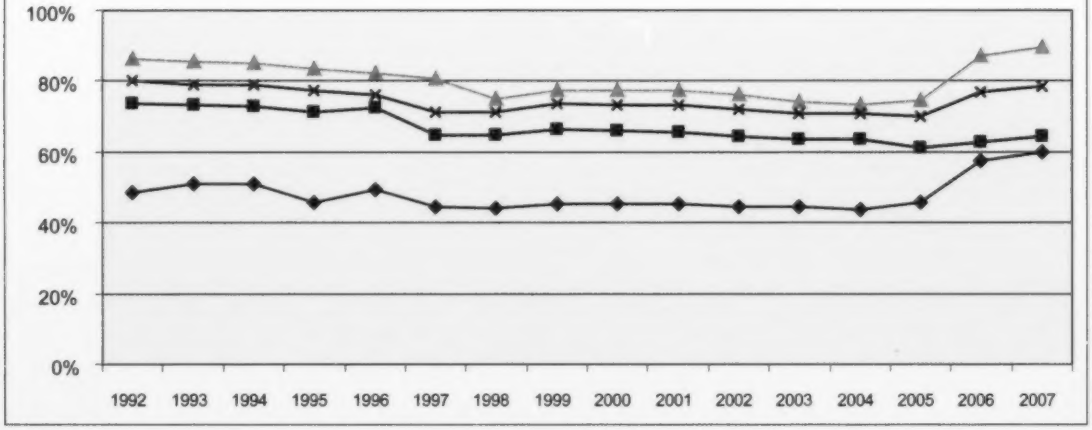
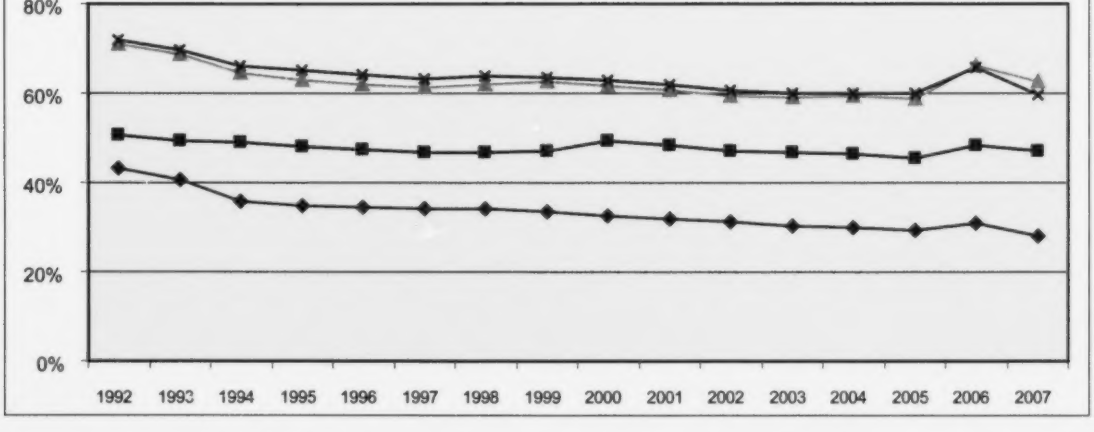
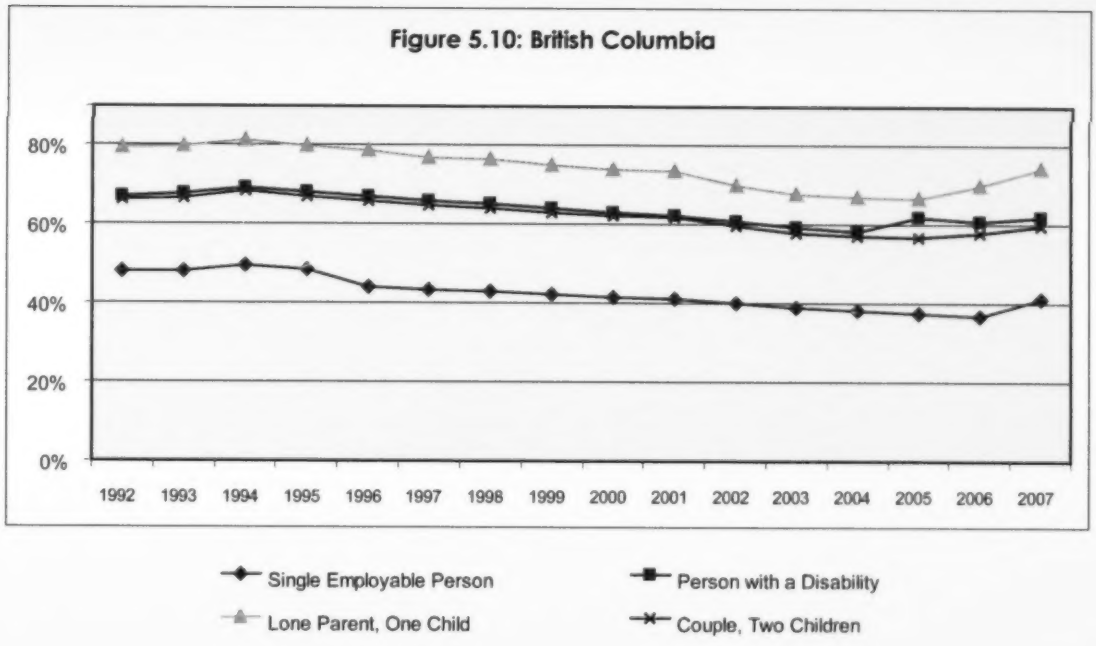


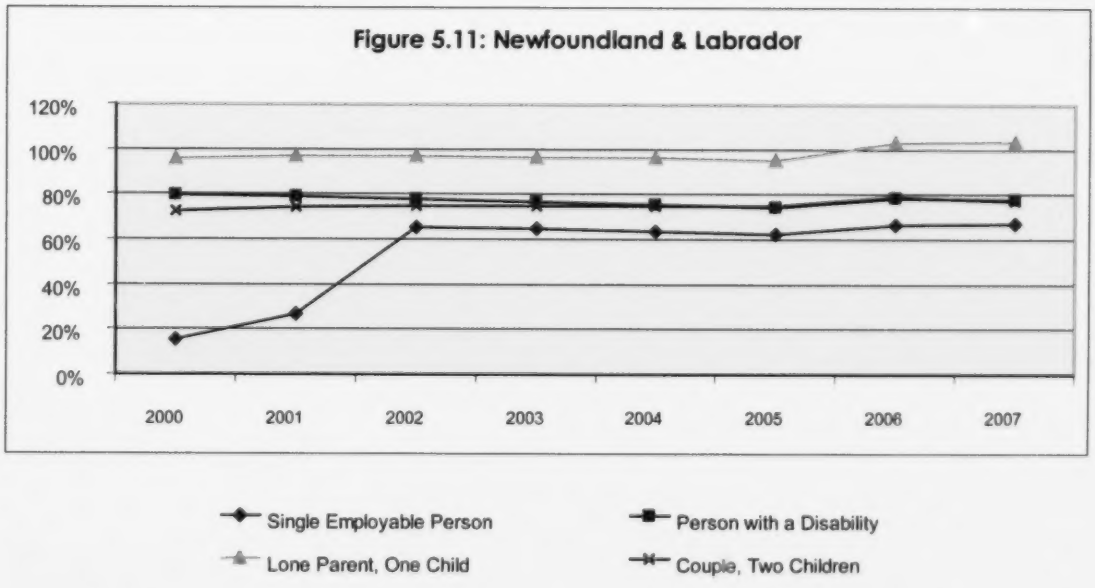
Figure 5.9: Alberta



Welfare Incomes over Time as % of After-Tax LICO - 4 Household Types in Each Province



Welfare Incomes over Time as % of MBM - 4 Household Types in Each Province



Welfare Incomes over Time as % of MBM - 4 Household Types in Each Province

Figure 5.12: Prince Edward Island

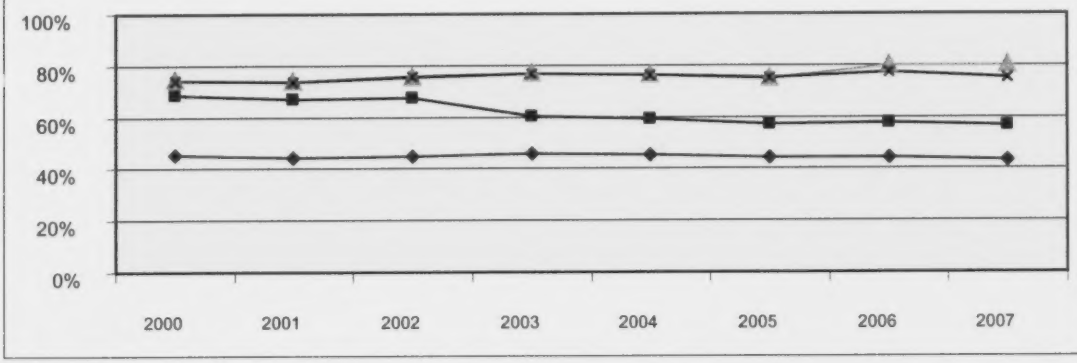


Figure 5.13: Nova Scotia

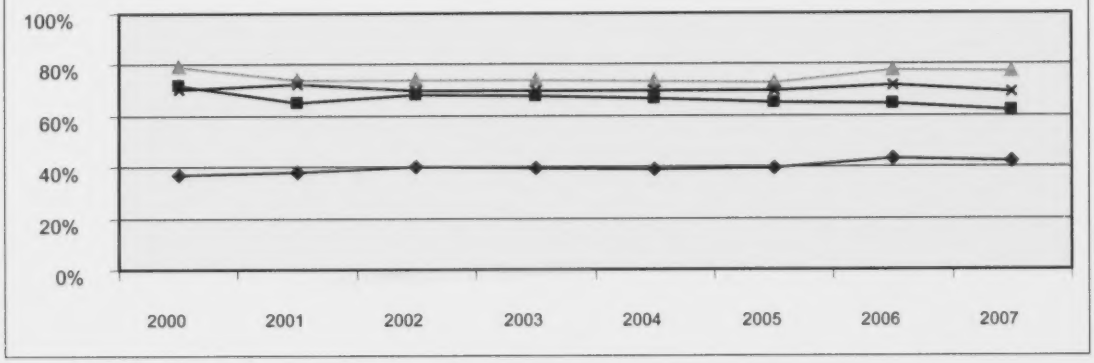
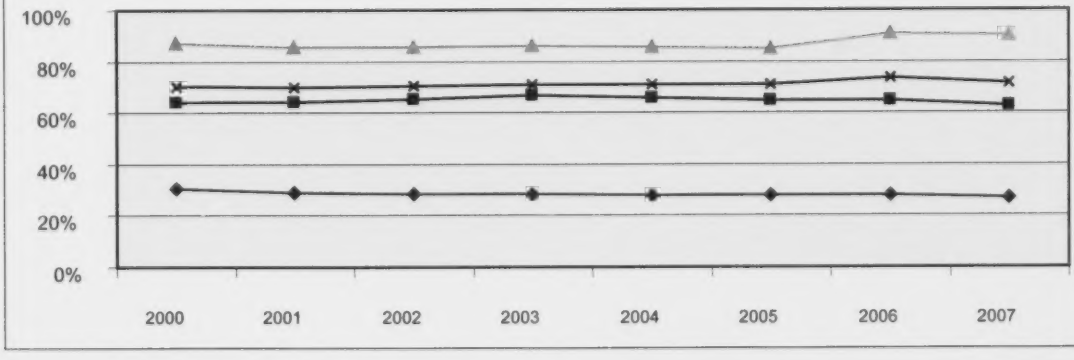
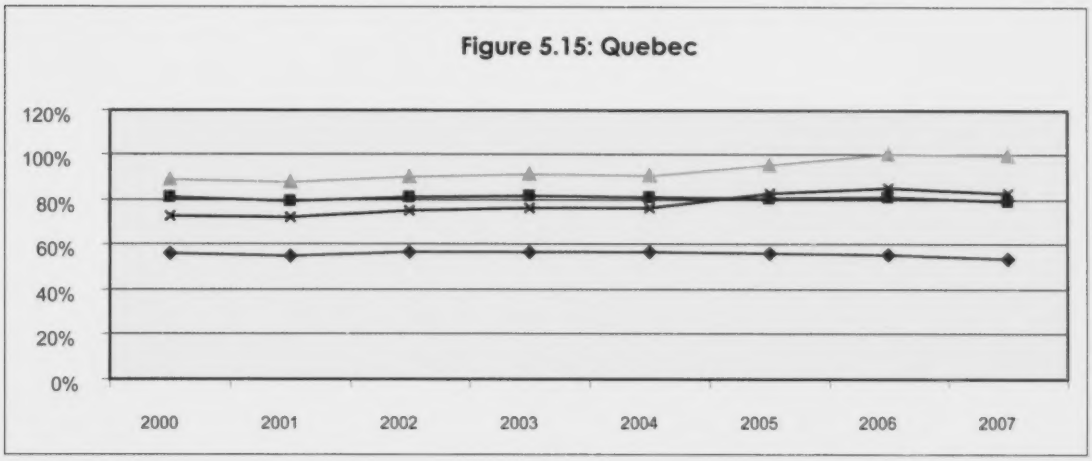


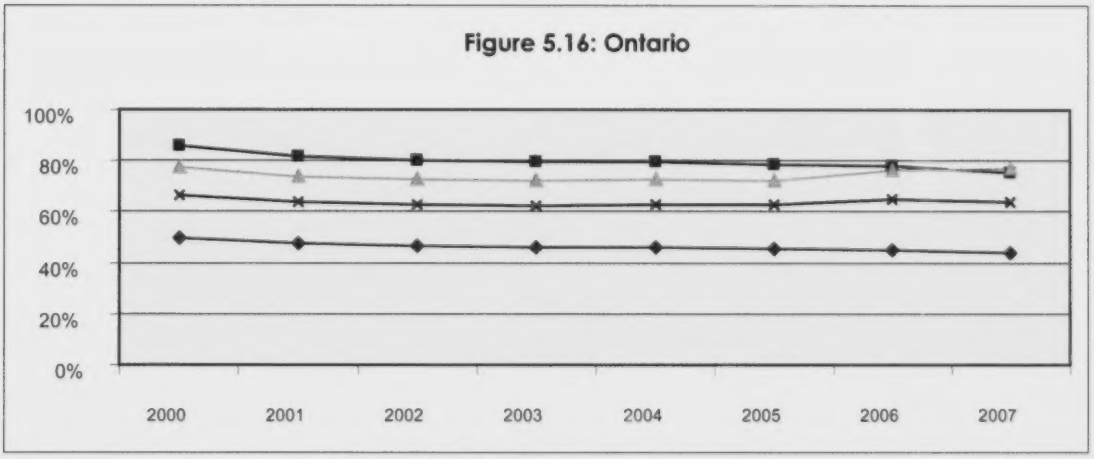
Figure 5.14: New Brunswick

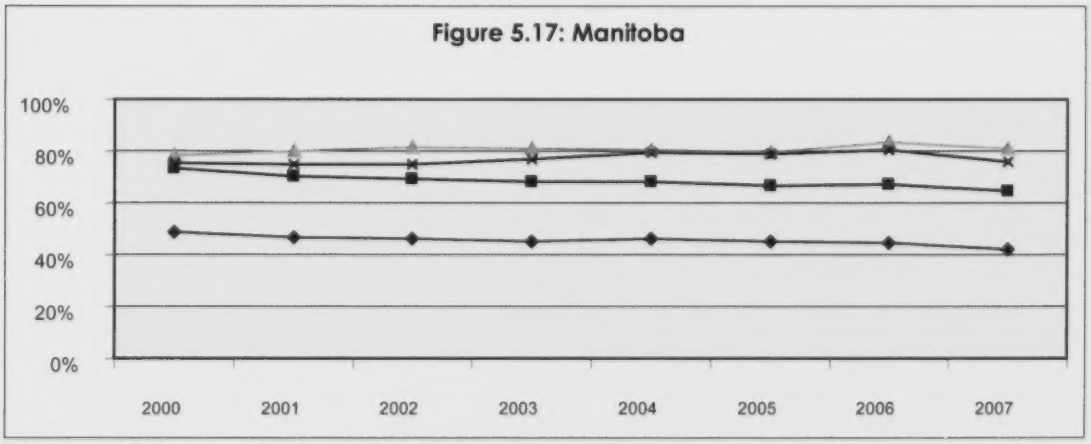


Single Employable Person
Person with a Disability
Lone Parent, One Child
Couple, Two Children

Welfare Incomes over Time as % of MBM - 4 Household Types in Each Province

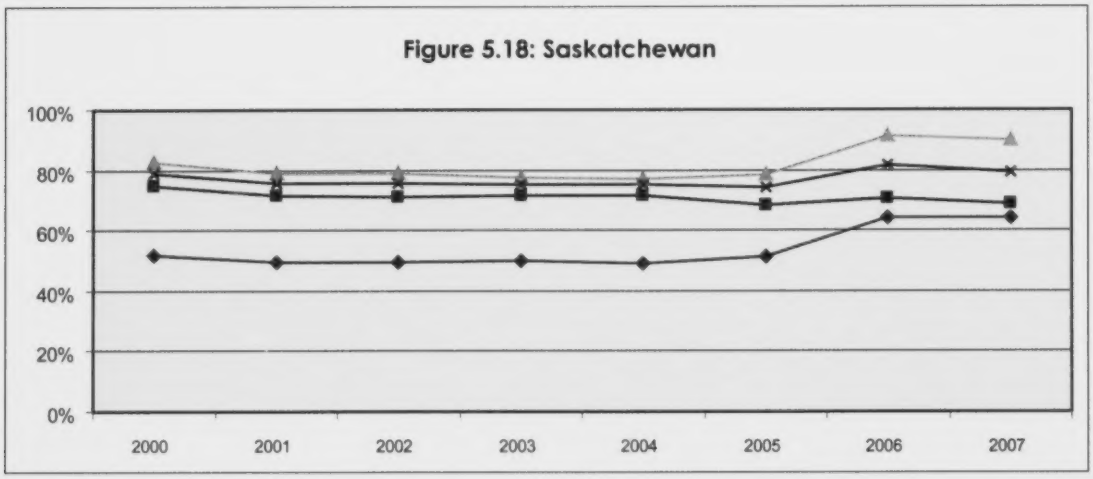


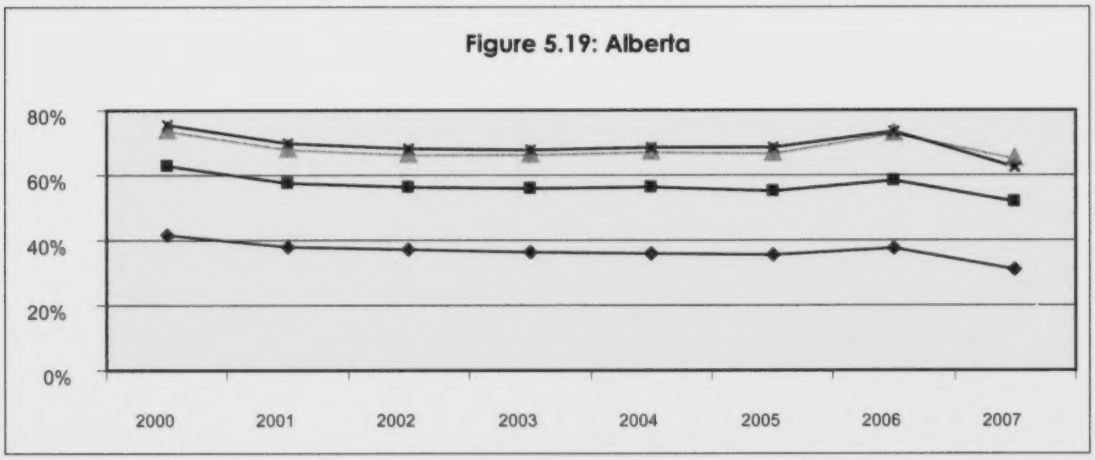


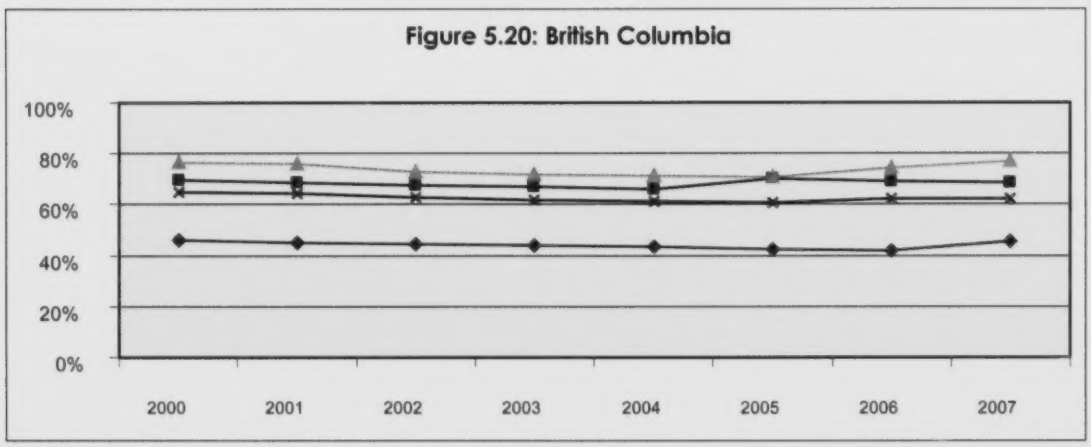


Single Employable Person
Person with a Disability
Lone Parent, One Child
Couple, Two Children

Welfare Incomes over Time as % of MBM - 4 Household Types in Each Province







Single Employable Person

Person with a Disability

Lone Parent, One Child

Couple, Two Children

SINGLE EMPLOYABLE PERSON

The figures for single employable persons have always been the least adequate of the 4 household types.

Most have declined over the period and currently sit at a median of about $^1/_3$ of the before-tax LICO—incredibly low levels.

New Brunswick's welfare income for a single person has never exceeded 28% of the after-tax LICO or 25% of the before-tax LICO since the National Council of Welfare started tracking these numbers in 1986. In the 19 years of income data in the following charts, the highest income for a single employable person was 66% of the before-tax LICO in Prince Edward Island in 1989. When compared to the after-tax LICO, the highest income for this type was 72% in 1992, the first year reported through this measure. In the eight years of income data when comparing to the MBM, the highest income for a single person was 67% in Newfoundland and Labrador in 2007.

The lowest income when comparing with before-tax LICO was 9% in Newfoundland and Labrador from 1997 to 1999, when the room and board rate was the norm for single employable persons. The rate was 11% when comparing with after-tax LICO. The lowest when comparing with MBM was 15% also in Newfoundland and Labrador in 2000, the first year for which the MBM is available.

SINGLE PERSON WITH A DISABILITY

The welfare income of the single person with a disability as a % of the before-tax LICO has varied considerably between provinces over the past 19 years, currently hovering around 49% in most provinces.

It was highest at 77% of the poverty line, again in Prince Edward Island in 1989. The single person with a disability receiving welfare incomes through the Alberta Support for Independence program had the lowest levels among provinces through the period 1989-2007 with only 38% of the before-tax LICO in 2005, 39% in 1996, 1997, 1998 and 1999 and again in 2002, in 2003 and in 2004. It was followed by Manitoba at 41% in 2005. Alberta reports that most people with severe and permanent disabilities in Alberta received assistance through the Assured Income for the Severely Handicapped (AISH) program, which provides a higher rate than welfare and is equivalent to 59% of the before-tax LICO in 2007.

The sharpest decline occurred in Prince Edward Island, where welfare income as a percent of the before-tax LICO dropped 30 percentage points, from 77% in 1989 to 47% in 2007.

LONE PARENT, ONE CHILD

**As of 2007,
the welfare income of most
lone parents stood at
63% of the before-tax LICO.**

Since 1989, the highest welfare income for a lone parent was 81% of the before-tax LICO in Ontario in 1992, 1993 and 1994 and in Newfoundland and Labrador in 2007. Since then in Ontario, it has dropped a full 20 percentage points and currently stands at 61%. The lowest was 48% in Alberta in 2002, 2003, 2004 and 2005.

COUPLE, TWO CHILDREN

In 2006, the welfare income of a couple with two children also averaged about 52% of the poverty line. The highest welfare income for a couple with two children was 78% of the poverty line in Prince Edward Island in 1989, and the lowest was 44% in New Brunswick in 1989 and 1990. Since 1989, Ontario has again shown the steepest decline, dropping 22 percentage points from 73% in 1992 to 51% in 2006.

COMPARING THE 3 POVERTY MEASURES

Trends for welfare incomes compared to after-tax poverty lines are quite similar to those in the before-tax situation, because households whose incomes are only welfare driven, do not have high enough income to pay taxes.

However, a large proportion of the rest of the population does, and therefore has lower after-tax income than before-tax income, driving a higher ratio of welfare incomes for the after-tax comparison (around 10 percentage points more, ranging from 5 to 15 percentage points) than for the before-tax comparison.

The long term portrait of adequacy of welfare incomes as a percentage of MBM is generally similar to the picture of adequacy using other measures (before-tax LICO and after-tax LICO) but with interesting unique elements.

Remember that **MBM** allows us to **differentiate** between **HIGHER AND LOWER** cost-of-living cities, even of the same size, whereas **LICO does not**.

To help us understand results of the comparison of welfare incomes with the MBM thresholds, we present here some findings on the MBM thresholds for the reference family, which is made up of two adults and two children. For 2000, 2001 and 2002, the five lowest MBM thresholds for the reference family were for New Brunswick,

Quebec, Manitoba, Saskatchewan and Newfoundland and Labrador, ranked differently from year to year. Three provinces, Alberta, Nova Scotia and Prince Edward Island, consistently had their thresholds ranked just above the five lowest. Finally, regardless of the year, Ontario and British Columbia showed the highest thresholds, associated with a higher cost of living.

3 provinces are in the **LOWEST RANKS**:

- New Brunswick;
- Alberta; and
- British Columbia.

2 provinces have the **HIGHEST RATIOS**:

- Quebec; and
- Newfoundland and Labrador.

Three provinces are systematically in the **lowest ranks** using MBM:

- **New Brunswick** for the single employable between 2002 and 2007 at less than 30%;
- **Alberta** for the person with a disability under the SI program at less than two-thirds of the MBM threshold for the whole period except 2006, and also for the lone parent between 2000 and 2007 with less than 74%
- **British Columbia** for the couple with two children being the lowest all years at less than 66% of the MBM threshold. In 2007, British Columbia and Alberta share the worst ranking at 62% of the MBM threshold.

Two provinces consistently have the **highest ratios**:

- **Quebec** ends up having the highest ratio comparing welfare incomes to the MBM for a single employable person for 2000 and 2001, even if they were still very low at 56 and 55%. This province also had the highest ratio for a person with a disability between 2002 and 2007 at about 80%, and for a couple with two children for 2005, 2006 and 2007, at 83, 86 and 83% respectively.
- **Newfoundland and Labrador** also ends up having the highest ratios for the single employable since 2002 at more than 61%. This province also was at the top of the ranking for the lone parent with one child for the whole period, at around 98% and even reaching 103% in 2007.

Quebec and Newfoundland and Labrador have anti-poverty strategies and clear objectives to improve the lives of people living in poverty and we see it having a positive impact.

TABLE 5.1a: WELFARE INCOMES AS A % OF THE BEFORE-TAX LICO, 1986, 1989-1997

*	1986	1989	1990	1991	1992	1993	1994	1995	1996	1997
NEWFOUNDLAND AND LABRADOR										
1	33%	32%	32%	33%	32%	32%	32%	31%	18%	9%
2		64%	63%	63%	60%	60%	60%	58%	59%	62%
3	68%	66%	67%	69%	74%	73%	73%	71%	72%	73%
4	58%	56%	56%	56%	56%	56%	56%	55%	55%	56%
PRINCE EDWARD ISLAND										
1	62%	66%	60%	62%	58%	58%	52%	40%	37%	37%
2		77%	70%	70%	66%	65%	65%	62%	57%	56%
3	71%	75%	69%	71%	73%	72%	71%	68%	65%	62%
4	74%	78%	71%	73%	73%	72%	71%	68%	64%	64%
NOVA SCOTIA										
1	44%	50%	48%	47%	43%	43%	43%	42%	41%	31%
2		66%	66%	66%	61%	60%	61%	60%	59%	58%
3	64%	66%	66%	67%	69%	68%	69%	67%	66%	65%
4	57%	60%	58%	58%	58%	57%	57%	56%	59%	59%
NEW BRUNSWICK										
1	22%	24%	24%	25%	23%	23%	23%	22%	22%	22%
2		63%	62%	62%	58%	58%	46%	45%	45%	45%
3	56%	55%	55%	55%	57%	57%	59%	61%	61%	61%
4	46%	44%	44%	45%	46%	46%	47%	49%	48%	49%
QUEBEC										
1	20%	31%	48%	41%	38%	38%	37%	36%	36%	35%
2	47%	49%	53%	49%	49%	50%	49%	49%	49%	49%
3	57%	54%	58%	54%	60%	62%	63%	62%	60%	58%
4	54%	54%	59%	52%	51%	53%	52%	51%	50%	48%
ONTARIO										
1	43%	47%	52%	54%	51%	51%	51%	48%	39%	39%
2		68%	72%	75%	71%	71%	71%	69%	68%	67%
3	64%	68%	76%	79%	81%	81%	81%	76%	64%	63%
4	58%	61%	70%	72%	73%	72%	72%	67%	56%	55%

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 5.1b: WELFARE INCOMES AS A % OF THE BEFORE-TAX LICOs, 1998-2007

*	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
NEWFOUNDLAND AND LABRADOR										
1	9%	9%	12%	20%	49%	47%	47%	46%	49%	50%
2	61%	61%	60%	59%	58%	56%	55%	54%	57%	58%
3	75%	76%	76%	76%	75%	74%	73%	73%	79%	81%
4	58%	59%	59%	60%	60%	59%	59%	59%	62%	62%
PRINCE EDWARD ISLAND										
1	36%	36%	37%	36%	36%	36%	36%	35%	35%	35%
2	56%	55%	55%	54%	54%	47%	47%	45%	46%	47%
3	62%	61%	62%	62%	63%	63%	63%	62%	66%	68%
4	63%	62%	64%	64%	65%	65%	65%	64%	66%	66%
NOVA SCOTIA										
1	30%	29%	29%	29%	31%	30%	30%	30%	33%	33%
2	58%	57%	55%	51%	53%	51%	50%	50%	49%	49%
3	65%	65%	64%	60%	59%	58%	58%	58%	62%	63%
4	59%	58%	58%	61%	58%	57%	57%	57%	59%	59%
NEW BRUNSWICK										
1	22%	22%	21%	21%	20%	20%	19%	19%	19%	19%
2	45%	44%	45%	45%	46%	46%	45%	45%	44%	44%
3	63%	64%	63%	63%	63%	62%	61%	61%	65%	67%
4	51%	53%	53%	53%	53%	53%	53%	53%	54%	54%
QUEBEC										
1	34%	35%	34%	34%	34%	34%	34%	33%	33%	33%
2	50%	50%	49%	49%	49%	49%	49%	48%	49%	48%
3	58%	58%	56%	56%	57%	57%	57%	60%	63%	63%
4	48%	48%	47%	48%	49%	49%	49%	54%	55%	54%
ONTARIO										
1	38%	38%	37%	36%	35%	34%	34%	34%	33%	33%
2	66%	65%	63%	62%	61%	59%	59%	58%	57%	57%
3	62%	61%	60%	58%	57%	56%	56%	56%	59%	61%
4	55%	54%	53%	52%	51%	50%	50%	50%	51%	52%

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 5.1a: WELFARE INCOMES AS A % OF THE BEFORE-TAX LICOs, 1986, 1989-1997

*	1986	1989	1990	1991	1992	1993	1994	1995	1996	1997
MANITOBA										
1	43%	40%	46%	46%	43%	43%	40%	39%	36%	32%
2		43%	49%	49%	55%	50%	49%	48%	48%	47%
3	56%	50%	54%	55%	60%	55%	55%	54%	53%	52%
4	60%	60%	65%	67%	67%	62%	63%	61%	56%	52%
SASKATCHEWAN										
1	41%	42%	41%	41%	40%	42%	42%	37%	40%	36%
2		67%	65%	65%	60%	59%	59%	58%	59%	53%
3	70%	69%	68%	68%	69%	68%	68%	66%	65%	64%
4	70%	68%	66%	65%	66%	65%	65%	64%	63%	59%
ALBERTA										
1	51%	36%	35%	39%	36%	34%	30%	29%	29%	28%
2		44%	43%	60%	42%	41%	41%	40%	39%	39%
2-b										
3	61%	55%	53%	57%	58%	56%	52%	51%	50%	50%
4	66%	58%	56%	62%	61%	59%	56%	55%	54%	53%
BRITISH COLUMBIA										
1	37%	41%	42%	40%	40%	40%	41%	40%	37%	36%
2		56%	58%	58%	56%	56%	57%	56%	55%	55%
3	55%	60%	61%	62%	64%	65%	66%	65%	64%	62%
4	54%	53%	54%	54%	56%	56%	58%	57%	56%	55%

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 5.1b: WELFARE INCOMES AS A % OF THE BEFORE-TAX LICOs, 1998-2007

*	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
MANITOBA										
1	31%	31%	30%	29%	29%	28%	28%	28%	27%	27%
2	46%	46%	45%	44%	43%	42%	42%	41%	42%	42%
3	51%	50%	50%	52%	53%	52%	52%	51%	54%	54%
4	51%	50%	50%	50%	50%	51%	53%	53%	54%	53%
SASKATCHEWAN										
1	36%	37%	37%	37%	36%	36%	36%	37%	47%	49%
2	53%	54%	54%	53%	52%	52%	52%	50%	51%	52%
3	59%	61%	62%	61%	60%	59%	58%	59%	69%	71%
4	59%	61%	61%	61%	60%	59%	59%	58%	64%	65%
ALBERTA										
1	28%	28%	27%	26%	26%	25%	25%	24%	26%	23%
2	39%	39%	41%	40%	39%	39%	39%	38%	40%	39%
2-b									59%	59%
3	50%	51%	50%	49%	48%	48%	48%	48%	53%	51%
4	54%	53%	53%	52%	51%	51%	51%	50%	55%	50%
BRITISH COLUMBIA										
1	36%	35%	34%	34%	33%	32%	32%	31%	30%	34%
2	54%	53%	52%	51%	50%	49%	48%	51%	50%	51%
3	62%	61%	60%	59%	57%	55%	54%	54%	57%	60%
4	54%	53%	52%	52%	50%	49%	48%	48%	49%	50%

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 5.2a: WELFARE INCOMES AS A % OF THE AFTER-TAX LICOs, 1992-1999

*	1992	1993	1994	1995	1996	1997	1998	1999
NEWFOUNDLAND AND LABRADOR								
1	39%	39%	39%	38%	22%	11%	11%	11%
2	74%	73%	73%	72%	73%	76%	76%	75%
3	93%	92%	91%	90%	90%	92%	94%	95%
4	68%	67%	67%	66%	66%	68%	70%	71%
PRINCE EDWARD ISLAND								
1	72%	71%	64%	50%	46%	45%	50%	49%
2	81%	81%	80%	77%	71%	70%	77%	75%
3	92%	91%	90%	86%	82%	79%	87%	86%
4	89%	88%	86%	83%	77%	77%	86%	84%
NOVA SCOTIA								
1	53%	52%	52%	51%	51%	38%	37%	36%
2	75%	74%	75%	74%	73%	72%	71%	70%
3	87%	85%	86%	85%	83%	82%	82%	82%
4	70%	69%	69%	67%	71%	72%	72%	70%
NEW BRUNSWICK								
1	28%	28%	28%	28%	27%	27%	27%	27%
2	71%	71%	56%	56%	55%	56%	56%	55%
3	72%	72%	74%	77%	76%	77%	79%	80%
4	55%	55%	57%	59%	58%	59%	62%	63%
QUEBEC								
1	46%	46%	45%	44%	43%	42%	41%	42%
2	59%	59%	60%	59%	59%	59%	60%	60%
3	74%	77%	78%	76%	74%	72%	71%	71%
4	61%	62%	62%	60%	59%	56%	57%	57%
ONTARIO								
1	62%	62%	62%	58%	48%	47%	46%	46%
2	86%	85%	85%	83%	82%	81%	80%	79%
3	100%	100%	100%	94%	78%	77%	77%	75%
4	86%	86%	85%	79%	67%	66%	65%	64%

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 5.2b: WELFARE INCOMES AS A % OF THE AFTER-TAX LICOs, 2000-2007

*	2000	2001	2002	2003	2004	2005	2006	2007
NEWFOUNDLAND AND LABRADOR								
1	14%	25%	60%	58%	57%	56%	60%	62%
2	74%	72%	71%	69%	68%	67%	70%	72%
3	95%	95%	94%	93%	92%	91%	99%	102%
4	71%	72%	72%	71%	71%	71%	75%	75%
PRINCE EDWARD ISLAND								
1	50%	44%	44%	44%	44%	43%	43%	44%
2	76%	67%	67%	58%	58%	56%	57%	58%
3	88%	78%	79%	78%	79%	78%	84%	86%
4	87%	78%	79%	78%	79%	78%	80%	81%
NOVA SCOTIA								
1	35%	36%	38%	37%	37%	37%	40%	41%
2	68%	62%	65%	63%	62%	61%	60%	60%
3	80%	76%	75%	74%	73%	73%	78%	80%
4	71%	73%	70%	69%	69%	69%	71%	71%
NEW BRUNSWICK								
1	26%	25%	25%	24%	24%	24%	23%	24%
2	55%	56%	56%	57%	56%	55%	55%	55%
3	80%	80%	79%	78%	77%	77%	82%	84%
4	64%	64%	64%	64%	64%	64%	66%	66%
QUEBEC								
1	41%	41%	41%	41%	41%	40%	40%	40%
2	59%	59%	59%	59%	59%	58%	59%	58%
3	69%	69%	70%	70%	70%	73%	77%	78%
4	56%	57%	58%	58%	58%	64%	65%	64%
ONTARIO								
1	44%	43%	42%	41%	41%	41%	40%	40%
2	77%	75%	73%	71%	71%	70%	69%	69%
3	74%	72%	71%	69%	69%	69%	73%	73%
4	63%	62%	60%	59%	59%	59%	61%	62%

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 5.2a: WELFARE INCOMES AS A % OF THE AFTER-TAX LICOs, 1992-1999

*	1992	1993	1994	1995	1996	1997	1998	1999
MANITOBA								
1	52%	52%	48%	47%	44%	38%	38%	37%
2	66%	60%	60%	58%	57%	57%	56%	56%
3	75%	68%	68%	66%	65%	64%	63%	62%
4	80%	73%	74%	73%	66%	62%	61%	60%
SASKATCHEWAN								
1	49%	51%	51%	46%	49%	44%	44%	45%
2	74%	73%	73%	71%	72%	65%	65%	66%
3	86%	85%	85%	83%	82%	81%	75%	77%
4	80%	79%	79%	77%	76%	71%	71%	74%
ALBERTA								
1	43%	41%	36%	35%	34%	34%	34%	34%
2	51%	49%	49%	48%	47%	47%	47%	47%
2-b								
3	71%	69%	64%	63%	62%	61%	62%	63%
4	72%	70%	66%	65%	64%	63%	64%	63%
BRITISH COLUMBIA								
1	48%	48%	49%	49%	44%	44%	43%	42%
2	67%	68%	69%	68%	67%	66%	65%	64%
3	79%	80%	81%	80%	79%	77%	76%	75%
4	66%	67%	68%	67%	66%	65%	64%	64%

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 5.2b: WELFARE INCOMES AS A % OF THE AFTER-TAX LICOs, 2000-2007

*	2000	2001	2002	2003	2004	2005	2006	2007
MANITOBA								
1	36%	35%	35%	34%	34%	34%	33%	32%
2	54%	53%	52%	51%	51%	50%	50%	50%
3	62%	64%	65%	64%	64%	63%	67%	67%
4	59%	60%	59%	60%	63%	63%	64%	62%
SASKATCHEWAN								
1	45%	45%	45%	44%	44%	46%	57%	60%
2	66%	66%	64%	64%	63%	61%	63%	64%
3	77%	77%	76%	74%	73%	75%	87%	90%
4	73%	73%	72%	71%	71%	70%	77%	79%
ALBERTA								
1	33%	32%	31%	30%	30%	29%	31%	28%
2	49%	48%	47%	47%	47%	46%	48%	47%
2-b							71%	71%
3	62%	61%	59%	59%	59%	59%	66%	63%
4	63%	62%	61%	60%	60%	60%	66%	60%
BRITISH COLUMBIA								
1	42%	41%	40%	39%	38%	37%	37%	41%
2	63%	62%	61%	59%	58%	62%	61%	62%
3	74%	73%	70%	68%	67%	67%	70%	74%
4	62%	62%	60%	58%	57%	57%	58%	60%

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 5.3: WELFARE INCOMES AS A PERCENTAGE OF MBM OVER TIME, 2000-2007

*	2000	2001	2002	2003	2004	2005	2006	2007
	NEWFOUNDLAND AND LABRADOR							
1	15%	27%	65%	65%	64%	62%	67%	67%
2	79%	79%	78%	77%	76%	74%	78%	78%
3	96%	97%	97%	97%	96%	95%	103%	103%
4	73%	74%	75%	75%	75%	75%	79%	77%
	PRINCE EDWARD ISLAND							
1	46%	46%	45%	45%	46%	44%	44%	43%
2	69%	69%	67%	67%	60%	57%	58%	57%
3	74%	74%	73%	75%	77%	75%	80%	80%
4	74%	74%	74%	76%	77%	75%	77%	75%
	NOVA SCOTIA							
1	37%	38%	40%	40%	39%	40%	43%	42%
2	72%	65%	68%	68%	66%	65%	65%	62%
3	79%	74%	74%	74%	73%	73%	78%	77%
4	70%	73%	70%	70%	70%	70%	72%	70%
	NEW BRUNSWICK							
1	30%	29%	29%	29%	28%	28%	28%	27%
2	64%	64%	65%	67%	66%	65%	65%	63%
3	87%	86%	86%	86%	85%	85%	91%	90%
4	70%	70%	70%	71%	71%	71%	74%	71%
	QUEBEC							
1	56%	55%	57%	57%	57%	56%	56%	54%
2	81%	80%	81%	82%	81%	81%	81%	80%
3	89%	88%	90%	91%	91%	95%	100%	100%
4	73%	72%	75%	76%	76%	83%	86%	83%

* **1**= Single Employable / **2**= Person with a Disability / **3**= Lone Parent, One Child / **4**= Couple, Two Children

TABLE 5.3: WELFARE INCOMES AS A PERCENTAGE OF MBM OVER TIME, 2000-2007

*	2000	2001	2002	2003	2004	2005	2006	2007
	ONTARIO							
1	50%	48%	47%	46%	46%	46%	45%	44%
2	86%	82%	80%	79%	80%	79%	78%	75%
3	77%	74%	73%	72%	73%	72%	77%	77%
4	67%	64%	63%	62%	63%	63%	65%	64%
	MANITOBA							
1	49%	47%	46%	45%	46%	45%	44%	42%
2	73%	70%	69%	68%	68%	67%	67%	65%
3	79%	80%	81%	81%	80%	79%	84%	81%
4	75%	75%	75%	77%	80%	79%	80%	76%
	SASKATCHEWAN							
1	52%	50%	49%	50%	49%	51%	64%	64%
2	75%	72%	71%	71%	71%	69%	71%	69%
3	82%	79%	79%	78%	77%	78%	91%	90%
4	79%	76%	75%	75%	75%	74%	82%	80%
	ALBERTA							
1	42%	38%	37%	36%	36%	35%	37%	31%
2	63%	58%	56%	56%	56%	55%	58%	52%
2-b							84%	78%
3	73%	68%	66%	66%	67%	67%	73%	65%
4	76%	70%	68%	68%	69%	68%	73%	62%
	BRITISH COLUMBIA							
1	46%	45%	45%	44%	43%	43%	42%	45%
2	70%	68%	68%	67%	66%	70%	69%	69%
3	77%	76%	73%	72%	71%	71%	74%	77%
4	65%	64%	63%	62%	61%	61%	62%	62%

* **1**= Single Employable / **2**= Person with a Disability / **2-b**= Person with a Disability/AISH / **3**= Lone Parent, One Child / **4**= Couple, Two Children

CONCLUDING THOUGHTS

The findings from *Welfare Incomes 2006 and 2007* indicate that very little has changed since the 2005 edition.

However, we note some key exceptions that might be glimmers of hope.

There were increases in welfare incomes for some family types in some jurisdictions, but generally these were small. The incomes of single employable people remained the worst, but almost all welfare incomes fell below the three different poverty measures we used, including the new comparison with Market Basket Measure estimates. Welfare incomes generally were also far below average and median incomes, an indicator of how socially excluded welfare recipients can be from mainstream Canadian ways of life.

Because the MBM was designed by governments to get a more precise measure of the actual cost of housing, food, clothing and other basic needs in different parts of Canada, social assistance systems could logically use it as a reasonable baseline for setting welfare rates, which for decades appear to have been largely arbitrary and often punitive.

The Council is very much concerned that government Ministers and policy designers, as well as Canadians at large, seem uncertain about the objectives of welfare and unclear about what progress we are making. We have accepted a system that assists people in need by providing for only a small fraction of the basic necessities of life in many cases. When we do not grant even the basics needed for survival, how then can we honestly criticize the recipients of such assistance for lack of effort or decry behaviours that offer relief from such a miserable existence? There is much debate about giving people 'too much', because it might discourage them from employment. But have we seriously examined the cost of providing too little, so that the possibility of being hired, or being productive in any larger sense, moves rapidly out of reach?

Our concern is not just about money but extends to many of the rules and regulations that govern welfare incomes, which may help control immediate costs but at the same time may also prevent many Canadians from effectively helping themselves. Is there not greater value in enabling people on welfare to retain assets, to keep a greater share of employment income, to pursue longer-term training and higher education

and to safeguard their autonomy and dignity? Can we not enable someone with a disability to better use all their other abilities? Can we not enable parents to build an attachment to the labour force without sacrificing the time and energy they need to parent? We should strive to increase the odds of adults getting out of poverty, reaching their potential, becoming more productive, increasing their economic security, and providing intergenerational benefits to children.

We see hope in *Welfare Incomes 2006 and 2007* in the fact that for the lone parent with a pre-schooler in Newfoundland and Labrador and in Quebec, their total welfare incomes reach a sufficient level of adequacy to give them a reasonable chance in life. What is even more encouraging is the fact that both these jurisdictions have comprehensive provincial strategies in place for preventing and reducing poverty. This means that social assistance is integrated into a larger social and economic framework with links to child care, health, education and labour market policies, and the kind of services that are critical to Canadians with special and multiple needs.

We are encouraged by jurisdictions that have raised welfare rates and especially by those that index welfare rates to account for cost of living increases because, frankly, it just makes sense.

We are also encouraged by the city of Hamilton, Ontario for showing that where there is will there is a way—in this case a way to return to welfare recipients the federal National Child Benefit Supplement that the provincial government clawed back. There are three reasons why this is noteworthy. One is that this municipality has a multi-stakeholder Poverty Roundtable that is taking a comprehensive approach to poverty, much in the same vein as the provinces of Quebec and Newfoundland and Labrador. Secondly, it was the families on social assistance who decided what would help them and then the policy designers were tasked to make it work. This contrasts with policy processes that are often top down and led by people who are not likely to ever be affected. Thirdly, this municipality is an example of many others that are generating creative approaches to poverty and development. They are increasingly asserting their place and their message about the need for innovation onto the federal, provincial and territorial government stage. It suggests that there may be better, more collaborative ways to manage Canada's complex constitutional structure.

We find in these developments evidence that it is possible to think—and act—beyond the traditional approaches to welfare that have a questionable record of effectiveness, whether measured on a human or economic scale.

We, as Council members, do not have all the answers. But we are challenging ourselves to think more critically, boldly and creatively about the programs that are part of the welfare incomes mix, including federal child and employment tax benefits. We invite individuals, families and community partners, including unions, employers, professional associations, faith-based groups, voluntary organizations and service providers, to take up that challenge as well. We would be pleased to have your feedback and ideas.

For governments, especially the federal government, we reiterate our call for a comprehensive pan-Canadian strategy to

solve poverty with targets and timelines, a plan of action, accountability and measurable indicators. We recognize that government alone, and no one order of government, is going to provide all the answers, or even ask all the right questions, so there must be better ways of cooperating and coordinating. But for any nation to succeed in solving poverty or fostering prosperity there must be government action and political will. There must also be a place where governments listen to the voice of experience and are guided by the human face of poverty.

APPENDICES

- **APPENDIX A presents Statistics Canada's before-tax low income cut-offs (LICOs) for 2006.**
- **APPENDIX B presents Statistics Canada's after-tax low income cut-offs (LICOs) for 2006.**
- **APPENDIX C presents Statistics Canada's before-tax low income cut-offs (LICOs) for 2007.**
- **APPENDIX D presents Statistics Canada's after-tax low income cut-offs (LICOs) for 2007.**
- **APPENDIX E shows the Market Basket Measure (MBM) thresholds for reference family by component for 2004.**
- **APPENDIX F shows the maximum Canada Child Tax Benefit amounts, including the National Child Benefit Supplement, from July 1998 to July 2007.**
- **APPENDIX G shows the maximum Canada Child Tax Benefit payments from 1998 to 2007 for a lone parent with a 2-year-old child and a couple with two children aged 10 and 15.**
- **APPENDIX H shows estimates of families receiving social assistance whose National Child Benefit Supplement was clawed back in March 2006.**
- **APPENDIX I provides additional resources for information on provincial and territorial welfare programs.**

NINE APPENDICES ARE PRESENTED IN THIS EDITION OF *WELFARE INCOMES*.

*For details on the MBM methodology, see Low Income in Canada: 2000-2004 Using the Market Basket Measure http://www.hrsdc.gc.ca/en/publications_resources/research/categories/inclusion/2007/sp_682_10_07_e/page00.shtml

APPENDIX A: POVERTY LINES, 2006 STATISTICS CANADA'S BEFORE-TAX LOW INCOME CUT-OFFS (1992 BASE)					
Family Size	Communily Size				
	Cities of 500,000+	100,000-499,999	30,000-99,999	Less than 30,000	Rural Areas
1	$21,202	$18,260	$18,147	$16,605	$14,596
2	$26,396	$22,731	$22,591	$20,671	$18,170
3	$32,450	$27,945	$27,773	$25,412	$22,338
4	$39,399	$33,930	$33,721	$30,855	$27,122
5	$44,686	$38,482	$38,245	$34,995	$30,760
6	$50,397	$43,402	$43,135	$39,469	$34,694
7+	$56,110	$48,322	$48,024	$43,943	$38,626

APPENDIX B: POVERTY LINES, 2006 STATISTICS CANADA'S AFTER-TAX LOW INCOME CUT-OFFS (1992 BASE)					
Family Size	Communily Size				
	Cities of 500,000+	100,000-499,999	30,000-99,999	Less than 30,000	Rural Areas
1	$17,570	$14,859	$14,674	$13,154	$11,494
2	$21,384	$18,085	$17,860	$16,010	$13,989
3	$26,628	$22,519	$22,239	$19,934	$17,420
4	$33,221	$28,095	$27,745	$24,871	$21,731
5	$37,828	$31,992	$31,594	$28,321	$24,746
6	$41,953	$35,480	$35,039	$31,409	$27,444
7+	$46,077	$38,967	$38,483	$34,496	$30,142

APPENDIX C: POVERTY LINES, 2007
STATISTICS CANADA'S BEFORE-TAX LOW INCOME CUT-OFFS (1992 BASE)

Family Size	Communily Size				
	Cities of 500,000+	100,000-499,999	30,000-99,999	Less than 30,000	Rural Areas
1	$21,666	$18,659	$18,544	$16,968	$14,914
2	$26,972	$23,228	$23,084	$21,123	$18,567
3	$33,159	$28,556	$28,379	$25,968	$22,826
4	$40,259	$34,671	$34,457	$31,529	$27,714
5	$45,662	$39,322	$39,081	$35,760	$31,432
6	$51,498	$44,350	$44,077	$40,331	$35,452
7+	$57,336	$49,377	$49,073	$44,903	$39,470

APPENDIX D: POVERTY LINES, 2007
STATISTICS CANADA'S AFTER-TAX LOW INCOME CUT-OFFS (1992 BASE)

Family Size	Communily Size				
	Cities of 500,000+	100,000-499,999	30,000-99,999	Less than 30,000	Rural Areas
1	$17,954	$15,184	$14,994	$13,441	$11,745
2	$21,851	$18,480	$18,250	$16,360	$14,295
3	$27,210	$23,011	$22,725	$20,370	$17,800
4	$33,946	$28,709	$28,352	$25,414	$22,206
5	$38,655	$32,691	$32,285	$28,940	$25,287
6	$42,869	$36,255	$35,805	$32,095	$28,044
7+	$47,084	$39,819	$39,324	$35,250	$30,801

APPENDIX E: MARKET BASKET MEASURE (MBM) THRESHOLDS FOR REFERENCE FAMILY BY COMPONENT 2004 ($)

Community	Food	Clothing & Footwear	Shelter	Transportation	Other	Total
St.John's CMA	$7,434	$2,245	$7,622	$1,595	$6,692	**$25,588**
Charlottetown CA	$6,948	$2,183	$8,143	$3,770	$6,313	**$27,360**
Halifax CMA	$7,199	$2,235	$9,049	$1,592	$6,522	**$26,597**
Saint John CMA	$7,074	$2,244	$6,696	$1,666	$6,442	**$24,122**
Montreal CMA	$6,674	$2,227	$7,636	$1,634	$6,154	**$24,325**
Toronto CMA	$6,470	$2,198	$12,871	$2,589	$5,993	**$30,121**
Winnipeg CMA	$6,768	$2,238	$8,005	$1,829	$6,226	**$25,066**
Saskatoon CMA	$7,015	$2,294	$8,113	$1,507	$6,436	**$25,365**
Calgary CMA	$6,886	$2,126	$10,919	$1,782	$6,230	**$27,943**
Vancouver CMA	$7,389	$2,290	$11,697	$1,725	$6,692	**$29,793**

APPENDIX F: MAXIMUM AMOUNTS FOR THE CANADA CHILD TAX BENEFIT, 1998-2007

*	July 1998	July 1999	July 2000	July 2001	July 2002	July 2003	July 2004	July 2005	July 2006	July 2007
1	$1,020	$1,020	$1,104	$1,117	$1,151	$1,169	$1,208	$1,228	$1,255	$1,283
2	$25,921	$25,921	$30,004	$32,000	$32,960	$33,487	$35,000	$35,595	$36,378	$37,178
3	$213	$213	$219	$221	$228	$232	$239	$243	$249	$0
4	$605	$785	$977	$1,255	$1,293	$1,463	$1,511	$1,722	$1,945	$1,988
5	$405	$585	$771	$1,055	$1,087	$1,254	$1,295	$1,502	$1,720	$1,758
6	$20,921	$20,921	$21,214	$21,744	$22,397	$21,529	$22,615	$21,480	$20,435	$20,883

* 1= **Canada Child Tax Benefit – Basic Benefit**

2= **Canada Child Tax Benefit Threshold**

3= **Additional Payment for a Child Under 7**

4= **National Child Benefit Supplement for the 1st Child in a Family**

5= **National Child Benefit Supplement for the 2nd Child in a Family**

6= **National Child Benefit Supplement Threshold**

This table shows the payments by the federal government to families with children since the Canada Child Tax Benefit (CCTB) was introduced in July 1998. The Canada Child Tax Benefit consists of two parts: the CCTB Basic Benefit and the National Child Benefit Supplement or NCBS. Each year, the rates increase on July 1 and are in effect until June 30 of the following year. The CCTB Basic Benefit and NCBS are paid monthly by the federal government in one cheque to each qualifying family. Until June 2006, families with children under seven got an additional payment. Since July 2006, the supplement for children under seven was only paid for children who were six years of age. Eligible families with children under six years of age receive since July 2006 the new Universal Child Care Benefit. The supplement for children under seven ceased to exist in July 2007.

The first row called Canada Child Tax Benefit – Basic Benefit shows the annual basic benefit. The second row called Canada Child Tax Benefit Threshold shows the highest net income a family could have and still be eligible for the full CCTB Basic Benefit. Once a family's income exceeded this amount, the federal government reduced the Basic Benefit. As of July 2006, the Basic Benefit was completely phased out once the net income of a family with one or two children exceeded $101,328. Families with three or more children did not receive the basic federal benefit after a net income of $135,653. The third row shows the annual basic supplement paid for each child under seven.

The federal government paid a CCTB Basic Benefit of $1,255 ($1,283) for the period beginning July 1, 2006 (2007), for each child under age 18 if the family's income was under $36,378 ($37,178). The amounts were the same for all provinces and territories except Alberta, which asked the federal government to vary these amounts. The federal government also made an additional payment of $249 for each child who was six years of age for the period beginning July 2006. This amount ceased to exist in July 2007.

The fourth and fifth rows show the National Child Benefit Supplement as of July 1 each year. For the first child in a family, the supplement was $1,945 on July 1, 2006, and $1,720 for the second child. On July 1, 2007, the supplement was $1,988 for the first child and $1,758 for the second child.

The final row called National Child Benefit Supplement Threshold shows the highest income a family could have and still get the full supplement. The column for July 2006 shows that the federal government provided all families with incomes under $20,435 with the full National Child Benefit Supplement. The threshold was increased to $20,883 in 2007.

APPENDIX G: MAXIMUM CANADA CHILD TAX BENEFIT PAYMENTS BY CALENDAR YEAR, 1998-2007

January 1 to December 31	Lone Parent with One Child, Age 2	Couple with Two Children, Ages 10 and 15
1998	$1,535	$2,545
1999	$1,928	$3,230
2000	$2,159	$3,683
2001	$2,447	$4,250
2002	$2,633	$4,613
2003	$2,768	$4,869
2004	$2,911	$5,139
2005	$3,076	$5,451
2006	$3,196	$5,928
2007	$4,435	$6,244

This table shows the maximum Canada Child Tax Benefit payments from 1998 to 2007 for a lone parent with a 2-year-old and a couple with children aged 10 and 15. Each row includes the total payments each family received between January 1 and December 31 each year. The calculations are based on six months of payments at the previous year's rate for January to June and six months of payments at the current year's rate for July to December.

The middle column shows the total annual payment to the lone-parent family. The payment includes the CCTB Basic Benefit and the additional payment for a child under seven, combined with the National Child Benefit Supplement. The UCCB payment is not included in this amount. In the last column, the annual amounts include the CCTB Basic Benefit and the National Child Benefit Supplement payments for a couple with children aged 10 and 15.

APPENDIX H: WELFARE FAMILIES AND THE CLAWBACK IN 2006

The table that follows highlights the number of welfare families with children who had all or part of the National Child Benefit Supplement clawed back by provincial or territorial governments as of early 2006. Data on social assistance are not available for 2007.

The first two columns show the number of lone-parent families and two-parent families who were entitled to receive the NCB Supplement in 2006. The information came from the Statistics Division of the Canada Revenue Agency.

The third and fourth columns show the number of families receiving welfare in 2006. These data come from the Longitudinal Administrative Data (LAD) and were ordered and paid for by the National Council of Welfare. The LAD is a longitudinal sample of tax filers for the years 1982 to 2006. These data are different than those we used in previous editions of Welfare Incomes that were compiled by the Social Program Analysis Division of the Social Policy Branch, Human Resources and Social Development Canada. The latter data were still not released when we were finalizing this section. It seems that there are some discrepancies between those two data sets therefore we do not recommend any comparisons with similar tables in Welfare Incomes 2005.

The last four columns highlight provinces and territories which clawed back all or part of the NCB Supplement from their welfare recipients. The numbers shown in the fifth and seventh columns are the same as the numbers in the welfare columns, and the percentages in the sixth and eighth columns compare the welfare families clawed back with all families eligible for the NCB Supplement. Where there are no clawbacks, all four columns are blank.

The subtotals and grand totals at the bottom of the table show the overall impact of the clawback in provinces and territories where it still existed as of March 2006. In those jurisdictions 190,935 lone-parent families or 24% of all lone-parent families eligible for the supplement had all or part of it clawed back. The comparable figures for two-parent families were 129,685 families or 21.9% of all two-parent families eligible for the NCBS.

The grand total for Canada was 320,620 estimated welfare families who still had their welfare or child benefits reduced by all or part of the NCBS in March 2006. That figure is 62% of all welfare families with children in Canada, but only 23.1% of the nearly 1.4 million families who received the NCB Supplement.

APPENDIX H: ESTIMATES OF FAMILIES RECEIVING SOCIAL ASSISTANCE (SA) AND WHOSE NATIONAL CHILD BENEFIT SUPPLEMENT (NCBS) WAS CLAWED BACK IN MARCH 2006

	TOTAL FAMILIES ENTITLED TO NCBS IN MARCH 2006		TOTAL FAMILIES RECEIVING SA IN 2006[1]		FAMILIES WHOSE SUPPLEMENT IS CLAWED BACK IN MARCH 2006			
	Lone-Parent Family	Two-Parent Family	Lone-Parent Family	Two-Parent Family	Lone-Parent Family		Two-Parent Family	
					Number	%	Number	%
Newfoundland and Labrador	16,148	11,411	8,410	5,510				
Prince Edward Island	4,377	2,336	1,395	765	1,395	31.9%	765	54.8%
Nova Scotia	31,509	14,604	10,115	5,010				
New Brunswick	24,946	13,335	9,540	5,600				
Quebec	194,121	139,682	69,390	60,875				
Ontario	275,796	223,431	118,905	82,070	118,905	43.1%	82,070	69.0%
Manitoba	35,738	25,896	12,650	5,920				
Saskatchewan[2]	33,795	20,553	16,050	8,320	16,050	47.5%	8,320	51.8%
Alberta	79,092	53,244	27,180	20,650	27,180	34.4%	20,650	76.0%
British Columbia[2]	97,808	84,324	25,115	15,365	25,115	25.7%	15,365	61.2%
Yukon	940	316	400	245	400	42.6%	245	61.3%
Northwest Territories	1,358	616	675	505	675	49.7%	505	74.8%
Nunavut	1,213	1,398	1,215	1,765	1,215	100.2%	1,765	145.3%
Canada[3]	**796,958**	**591,365**	**301,040**	**212,600**		**24.0%**		**21.9%**

1= These figures come from the Longitudinal Administrative Data (LAD) released on June 20, 2008.

2= All families have their child benefit reduced by the NCBS, not just welfare families.

3= Canada totals for families in receipt of the NCBS exclude a small number of families living outside Canada.

APPENDIX H: ESTIMATES OF FAMILIES RECEIVING SOCIAL ASSISTANCE (SA) AND WHOSE NATIONAL CHILD BENEFIT SUPPLEMENT (NCBS) WAS CLAWED BACK IN MARCH 2006				
	TOTAL FAMILIES ENTITLED TO NCBS IN MARCH 2006	TOTAL FAMILIES RECEIVING S.A. IN 2006[1]	FAMILIES WHOSE SUPPLEMENT IS CLAWED BACK IN MARCH 2006	
			Number	%
NON-CLAWBACK JURISDICTIONS				
Lone-Parent Families	302,462	110,105		
Two-Parent Families	204,928	82,915		
SUB-TOTALS	507,390	193,020		
CLAWBACK JURISDICTIONS				
Lone-Parent Families	494,379	190,935	190,935	24.0%
Two-Parent Families	386,218	129,685	129,685	21.9%
SUB-TOTALS	880,597	320,620		
GRAND TOTAL	1,387,987	513,640	320,620	23.1%

1= These figures come from the Longitudinal Administrative Data (LAD) released on June 20, 2008.

APPENDIX I: ADDITIONAL RESOURCES

Additional information on provincial and territorial welfare programs is available from a number of online sources. Those without Internet access may call their provincial or territorial government's general information line or local organizations for assistance.

- Each provincial and territorial government's main website contains links to the department responsible for welfare.

- There are social research and non-governmental organizations—e.g., social planning councils, citizen advocacy groups—in all jurisdictions that provide information on welfare programs and services for welfare clients. If you search "welfare, [name of province]", you will find links to both government and non-governmental websites with relevant information.

- The Canadian Social Research Links website contains a page of links to key provincial and territorial welfare program information, including legislation, policy, program descriptions, benefit levels and program statistics. You can access this page of links at: http://www.canadiansocialresearch.net/welfare.htm

MEMBERS OF THE NATIONAL COUNCIL OF WELFARE

John Rook *(Chairperson)–Calgary, Alberta*

MEMBERS

Richard Bragdon–*New Brunswick*

Mark Chamberlain–*Ontario*

Larry Gregan–*Manitoba*

Brenda Hall–*Northwest Territories*

Calvin D. Helin–*British Columbia*

Anita Hopfauf–*Saskatchewan*

Zulfikarali R. Kassamali–*Ontario*

Robert D. Mullan–*Nova Scotia*

David S. Pankratz–*Manitoba*

John Richards–*British Columbia*

Glen Shepherd–*Quebec*

Joseph Tietz–*British Columbia*

STAFF

Director: **Sheila Regehr**

Senior Researcher and Policy Advisor: **Cathy Oikawa**

Senior Researcher and Policy Advisor: **Laurie Kilpatrick**

Researcher and Policy Advisor: **Diane Richard** (lead Researcher for the *Welfare Incomes series*)

Research Assistant: **Musarrat Rana**

Information and Outreach Officer: **Carrie Breckenridge**

Finance and Human Resources Advisor: **Carole Demers**

Administrative Assistant: **Claudette Mann** (designer of new layout for *Welfare Incomes, 2006 and 2007*)

NATIONAL COUNCIL OF WELFARE

The National Council of Welfare was established by the *Government Organization Act* in 1969, as an arm's length advisory body to the federal government. It advises the Minister of Human Resources and Social Development on matters of concern to low-income Canadians.

The Council consists of members drawn from across Canada and appointed by the Governor-in-Council. All members serve in their personal capacities rather than as representatives of organizations or agencies. Council membership over the years has reflected expertise in a wide range of social development and social security issues. Members have also reflected varied backgrounds, from education and social work to voluntary sector organization and policy analysis, including experience living in poverty.

Reports by the National Council of Welfare deal with a wide range of issues on poverty and social policy in Canada, including income security programs, welfare reform, medicare, poverty lines and poverty statistics, the retirement income system, taxation, labour market issues, social services and legal aid.

Pour vous procurer des exemplaires en français de publications du Conseil, écrivez au Conseil national du bien-être social, 9e étage, 112, rue Kent, Ottawa (Ontario) K1A 0J9. Vous pouvez les demander par courrier électronique ncw@magi.com ou les consulter sur notre site web www.ncwcnbes.net.